FBIS DAILY REPORT

Soviet Union

CONTENTS

ARMS CONTROL & DISARMAMENT

'Insignificant' Leak, No Fallout After 2 Aug Blast AA 1
Work of Soviet-U.S. Delegates in Geneva Reported AA 1
Chervov: U.S. Arms at Misawa 'Threaten' Security AA 2
[KYODO]
U.S. Response to Verification 'More Than Reserved' AA 3
[Levin]

WORLDWIDE ISSUES

Gerasimov Raps West on Radioactivity Reports CC 1
Commentators Conduct 'International Situation' Program CC 2
Media Reports, Comments on Seventh UNCTAD Session CC 3
IZVESTIYA Recaps Events [3 Aug] CC 3
Cheklin Eyes Soviet Involvement CC 4

INTERNATIONAL AFFAIRS

UNITED STATES & CANADA

Radiation From U.S. Blasts Has 'Disastrous' Effects A 1
[Bogachev]
Borin Raps Pentagon Plan To 'Demothball' B-53 Bombs A 2
[KRASNAYA ZVEZDA 13 Aug]
U.S. Plans F-15, Missile Sales to Saudi Arabia A 3
U.S. Responsible for 'Wicked' Afghan Downing A 3

CHINA

PRC Parliamentary Delegation in Leningrad B 1
Holds Talks at City Soviet B 1
Visits Leningrad Sites B 1
Sino-Soviet Educational Exchanges Expand B 1

SOUTHEAST ASIA & PACIFIC

Soviets 'Suddenly' Reschedule Hawke's October Visit [AFP] D 1
SRV Official Comments on Cambodian Situation D 1

NEAR EAST & SOUTH ASIA

Kornilov Rebuts Ziaul Haq on DRA, Terrorism E 1
Beglov Views Gulf Developments in SELSKAYA ZHIZN [15 Aug] E 2
Shevardnadze Views Conference, Ties With Israel E 3
[Tel Aviv MA'ARIV 9 Aug]
Muslim Delegation Leaves for Sudan 14 Aug E 4

SUB-SAHARAN AFRICA

Gorbachev Message Given to Angola's Dos Santos F 1
[PRAVDA 13 Aug]
Urnov Departs for Home F 1
[PRAVDA 14 Aug]
Tatarchuk, CPSU Delegation Leave for Benin Visit F 1
[PRAVDA 17 Aug]

WEST EUROPE

Demichev Meets With Finnish Friendship Delegation H 1
[IZVESTIYA 9 Aug]
Fish Industry Minister Meets With Norway Premier H 1
[IZVESTIYA 14 Aug]
Briefs: USSR-Cyprus Health Cooperation H 1

LATIN AMERICA & CARIBBEAN

U.S.-Led Plot To Topple Panama Government Reported I 1
U.S. 'Extraordinary Measures' Possible in Panama I 1
CPSU Delegation Leaves for Guyana Party Congress I 2
[PRAVDA 8 Aug]
Briefs: Research Plane in Cuba I 2

NATIONAL AFFAIRS

POLITICAL & SOCIAL

CPSU Central Committee Politburo Session Held R 1
[PRAVDA 14 Aug]
Foreign Affairs Briefing Held on Marriage, Travel R 2
'Restrictions Lifted' R 3
Vienna DIE PRESSE on Potential Emigrant Treatment R 4
[14-16 Aug]
Police Warn Moscow Dissident Newspaper Editor [AFP] R 5
Dissident Priest Yakunin Gets Post Near Moscow R 6
[AFP]
'Workers', Peasants' Party' Members Rehabilitated R 6
[TANJUG]
Laduskin Residents Bring Back Liquor Store R 6
Resolution Adopted on Unused Rural Housing R 7
[PRAVDA 1 Aug]

ECONOMIC

Shatalin Discusses Economic Growth, Measurements S 1
[EKONOMICHESKAYA GAZETA No 31 Jul]
Operation of State Acceptance System Assessed S 5
[EKONOMICHESKAYA GAZETA No 32 Aug]
Economists Discuss Proposed Retail Price Changes S 10
[LITERATURNAYA GAZETA 12 Aug]
Gossnab Official Interviewed on Wholesale Trade S 13
[EKONOMICHESKAYA GAZETA No 32 Aug]

'INSIGNIFICANT' LEAK, NO FALLOUT AFTER 2 AUG BLAST

LD151428 Moscow TASS in English 1415 GMT 15 Aug 87

[Text] [No dateline as received] -- In connection with claims circulated by the Western mass media, with the Americans being especially zealous in the effort, that the underground nuclear explosion conducted by the Soviet Union on August 2, 1987, on Novaya Zemlya Island has been accompanied by the release of radioactive debris outside Soviet territory, TASS has this to report:

During the nuclear explosion of Novaya Zemlya Island, all the necessary precautions were taken to rule out radioactive fallout, as required by the Soviet Union's commitments under the 1963 treaty banning nuclear weapon tests in the atmosphere, in outer space and under water. The population was not subjected to any danger of radiation effects, which has been confirmed by the national control systems of the USSR.

In connection with incoming queries, competent organizations in the USSR have carried out an extra and all-around check, which has showed that after the explosion there took place the leak of an insignificant amount of gaseous products which have not led to the formation of radioactive fallout. This excludes the possibility of radioactive fallout in any state as a result of the underground nuclear explosion on Novaya Zemlya Island.

The Soviet Union attaches great significance to strict and unfailing compliance with the provisions of the 1963 treaty banning nuclear weapon tests in the atmosphere, in outer space and under water, regarding it as an important means of limiting the arms race. Corresponding Soviet organizations have invariably taken all the necessary measures to make certain that the demands made in this international act are met.

Our goal is a general and complete prohibition of nuclear weapon tests. The Soviet Union reaffirms once again its proposal for talks on this issue without delay -- in any form and at any level. It depends first of all on the United States whether nuclear blasts will continue or not. The answer is to be given by it.

WORK OF SOVIET-U.S. DELEGATES IN GENEVA REPORTED

LD141916 Moscow TASS in English 1912 GMT 14 Aug 87

[Text] Geneva August 14 TASS -- In the past week work was underway in all three groups to the Soviet-American negotiations on nuclear and space armaments -- on medium-range, space and strategic offensive armaments. The discussion is centered on the new Soviet proposals on the medium range -- shorter range missile problem, providing for double global zero solution on these armaments of the USSR and USA and also draft agreements submitted by the Soviet side on some measures to consolidate the ABM Treaty regime and to prevent the arms race from spreading to outer space and the treaty on strategic offensive armaments which embodies the principle of 50-per cent reduction of strategic offensive armaments of the sides.

CHERVOV: U.S. ARMS AT MISAWA 'THREATEN' SECURITY

OW160931 Tokyo KYODO in English 0927 GMT 16 Aug 87

[Text] Moscow, Aug. 16 KYODO -- Gen. Nikolay Chervov, a senior member of the Soviet Armed Forces' General Staff Office, says American nuclear weapons at the U.S. military base in Misawa, northeast Japan, threaten Soviet security.

In a recent interview with KYODO news service, Gen. Chervov, head of the office's Disarmament and Security Affairs Department, sepcifically referred to 160-170 U.S. F-16 and F-4 aircraft stationed at Misawa, saying the planes can be equipped with nuclear weapons capable of reaching coastal areas in the Soviet Far East.

The general said the Soviet Union sees itself as being surrounded by U.S. nuclear arms and that the U.S. base at Misawa is also unhealthy for Japan.

Soviet leader Mikhail Gorbachev's earlier proposal to the United States for the abolition of nuclear arms in Asia should be taken to include the U.S. nuclear arms at Misawa, Chervov said.

Gorbachev's proposal called for a simultaneous scrapping of 100 Soviet intermediate-range nuclear missile warheads in the Soviet Asian region and 100 U.S. INF missile warheads. Gorbachev's proposal referred to U.S. nuclear power deployed in South Korea, the Philippines and the Indian Ocean, but not to those at the Misawa base.

Gen. Chervov also said that the 100 Soviet INF missile warheads in its Asian region are targetted at U.S. nuclear power deployed in the Asia-Pacific region.

The general said the Soviet Union is proposing the scrapping of its 100 warheads in the Asian region in exchange for 100 American warheads on the U.S. mainland, despite the nuclear threat posed by U.S. forces in the Asia-Pacific region.

In reference to Gorbachev's "perestroyka (restructuring)" policy, Gen. Chervov said the policy involves all sectors of Soviet society, including the military.

"Perestroyka" in the military is aimed at reducing military spending and shifting the saved money to peaceful economic development, he said.

Major military reform goals center on stepped-up education for officers and soldiers at every level of the Armed Forces, qualitative improvement in training, and tighter military discipline to prevent an accidental war, he said.

Another major goal is to prevent ethnic disunity in the multiracial Soviet Army, the general said.

The Soviet military will also expand the "glasnost (openness)" policy advocated by Gorbachev, Chervov said.

Under the principle of openness, the Soviet Union wants to exchange basic nuclear arms-related data with the United States and its NATO (North Atlantic Treaty Organization) allies during the Soviet-U.S. disarmament negotiations, he said.

U.S. RESPONSE TO VERIFICATION 'MORE THAN RESERVED'

LD142120 Moscow Domestic Service in Russian 1800 GMT 14 Aug 87

[Commentary by Viktor Levin]

[Text] A new Soviet attack on SDI -- this is how DPA characterized the proposal of the Soviet Union to develop [sozdat] a system of international verification on prohibiting deploying [razmeshcheniye] any kind of weapons in space. Here is the latest news commentary by Viktor Levin:

[Levin] Prompted by DPA's reaction, one recalls various expressions, such as if the shoe fits, wear it. Of course, if one looks at the Soviet proposal from the Star Wars standpoint, then it is possible to reach the same conclusion as DPA. But what is interesting is that the same U.S. state figures that advocate implementing the Strategic Defense Initiative, as they call the Star Wars plans, give the assurance that they are against the millitarization of space. And so, in view of this fact, the comments by DPA appear, in my view, to be a disservice to Washington.

Let us recall what it is, specifically, that the Soviet Union is proposing. We are posing the question of developing a system of international verification to keep space peaceful. To this end it is proposed to establish an international inspectorate so inspection groups could be constantly present at all test sites for the launching of space objects. In the view of our country, one ought to set about forming a verification system now, without awaiting an agreement on space.

Technically it is not difficult at all to implement what the Soviet Union is proposing. For the time being there are not yet that many space launching sites in the world, and the presence at these of international inspectors would reliably guarantee that objects launched into space are not weapons and are not equipped with any kind of weapons.

By the way, U.S. supporters of SDI assert that the Soviet Union is itself devoting great attention to using space for military purposes, and they, the story goes, are forced to catch up with us. So, in essence, we are inviting international inspectors to our space launching sites, and, I repeat, we are proposing to set about this immediately so they can convince themselves with their own eyes how things stand. If people in the United States really have doubts with respect to our activities, then they ought surely to grasp immediately the proposal of establishing an international inspectorate.

However, reactions across the ocean to this proposal are, I would say, for the time being more than reserved. But the conclusion reached by DPA appears to me to be the first attack on our idea, and an attack quite possibly prompted by the United States.

In general, an interesting situation has recently been developing. At first sight it appears paradoxical. The West for many years affirmed that the problem of verification was an obstacle to effective disarmament measures and said the Soviet Union was against this. Now that our country is advocating verification with the utmost clarity and is going much further than the West in this most important issue, the West disowns verification. But in reality there is nothing paradoxical in this position. There was a time when the West speculated on the problem of verification, but that game will no longer do. And if there was no sincere desire in the West to set about limiting the arms race and disarming, then it appears there is none today. At least this is the conclusion that suggests itself from the reaction to the Soviet proposal to develop a system of international verification to keep space peaceful.

GERASIMOV RAPS WEST ON RADIOACTIVITY REPORTS

LD171058 Moscow TASS in English 1041 GMT 17 Aug 87

[Text] Moscow August 17 TASS -- "The slight increase in the content of radioactive substances in the atmosphere, which was noted on August 12 and which, as has been recognized by experts of Western countries, posed no hazard to the population, was used by Western media to launch a propaganda campaign for the purpose of casting aspersions upon the Soviet Union", Gennadiy Gerasimov, head of the Information Directorate of the USSR Ministry of Foreign Affairs, said at a briefing for Soviet and foreign journalists today.

"The Soviet side was accused almost of violating the Moscow treaty banning the tests of nuclear weapons in the atmosphere, in outer space and underwater," he said.

"It is not the first case when attempts are stubbornly made to connect in this or that way any upward deviation in the radiation background of the West of the Soviet Union's borders only with what takes place in our country", Gennadiy Gerasimov went on to say.

"Listening to Western propaganda media one would believe that radioactive winds can blow only from the East, leaving aside the fact, for example, that on August 13 the United States, detonated a powerful nuclear device at the test range in Nevada, and that breakdowns occurred in Britain on August 10 and 12 at nuclear power stations in North Wales and Dumfriesshire respectively."

"An all-round check carried out by Soviet organisations has shown that after the nuclear explosion which was conducted by the Soviet Union on Novaya Zemlya on August 2, there took place the leak of an insignificant amount of gaseous products which did not lead to the formation of radioactive fallout."

"So, the possibility of radioactive fallout in any state as a result of the underground nuclear explosion on Novaya Zemlya Island is fully ruled out."

"The Soviet Union," the spokesman for the USSR Ministry of Foreign Affairs emphasized, "attaches special importance to strict and undeviating observance of the provisions of the 1963 treaty banning the tests of nuclear weapons in the atmosphere, in outer space and underwater. The treaty is viewed as an important means for curbing the arms race and as the first step to complete termination of nuclear tests."

"General and complete ban on tests of nuclear weapons is one of the imperatives of Soviet foreign policy. The unilateral moratorium on all nuclear explosions, the moratorium which the Soviet Union observed for more than 18 months, is a convincing illustration of the sincerity and consistency of our approach to this issue."

"There was silence at Soviet nuclear test sites for more than 500 days pending similar silence at U.S. proving grounds. The Soviet Union is not to blame in the least that we had to resume tests," Gennadiy Gerasimov emphasized.

"At present the selfsame people who foiled the moratorium are casting aspersions upon our country and are cluttering up the international atmosphere with nonsensical conjectures which are designed, first of all, to camouflage their own disruptive policy."

"The Soviet Union is again reaffirming its proposal immediately to begin talks in any form and with in any composition on general and complete ban on the tests of nuclear weapons", Gennadiy Gerasimov pointed out.

"We are for serious talk about ending the tests of nuclear weapons and are for real steps in this direction. Whether nuclear explosions will be conducted or not depends, first of all, on the United States of America. It is now up to it to come up with a reply".

COMMENTATORS CONDUCT 'INTERNATIONAL SITUATION' PROGRAM

LD072159 Moscow Domestic Service in Russian 0930 GMT 7 Aug 87

["International Situation -- Questions and Answers" program presented by foreign policy commentator Vladimir Pasko, with Vitaliy Chukseyev, chief editor of TASS foreign news service, commentator Boris Andrianov, commentator Igor Sugurchev, and All-Union Radio foreign policy commentator Nikolay Agayants]

[Excerpts] [Passage omitted] [Chukseyev] The special interest in the Soviet initiative, which many political and public figures of the world are calling historic, has been caused, it would seem, by two things. First, the prospects for concluding an agreement on the liquidation of nuclear missiles of two categories have become more realistic than ever. Second, such an accord would mean a real breakthrough in the whole process of limiting and reducing nuclear arsenals.

It is generally recognized that it is the position of the U.S. Administration over the 72 Pershing-1A missiles, which have been handed over to the jurisdiction of the West German Bundeswehr but armed with U.S. nuclear warheads, that is now the main obstacle to signing a treaty. From day to day, journalists at press conferences in the White House, in the State Department, and in interviews with government officials try to find solutions to the so-called Washington-style arithmetic according to which the maintenance of the 72 nuclear charges in central Europe is identified with complete zero.

The Pershings are not a subject of the U.S.-Soviet talks -- that is the standard reply journalists hear every time. Recognizing the unpopularity and the illogic of such a position, Western spokesmen are trying in every way to confuse the issue, so to speak. [passage omitted]

In refusing to deprive the Bundeswehr of Pershings with nuclear warheads, Washington is essentially moving toward perpetuating West Germany's nuclear status, and, as is known, this counters international agreements ratified by the United States, among others. [passage omitted]

[Pasko] [Passage omitted] Indonesia and the Soviet Union express their identity of views in many respects in their assessment of the world situation. This applies to the most urgent problem of today, that of safeguarding peace and international security.

Our countries are unanimous in the belief that all states, especially those with nuclear weapons, should play their role in eliminating the threat of a nuclear catastrophe and express their readiness to work together in this with all other countries irrespective of the size of or differences between their sociopolitical systems. Like the Soviet Union, Indonesia favors an immediate end to any nuclear weapons tests and the speediest possible conclusion of a multilateral treaty on their complete prohibition. It is categorically opposed to spreading the arms race to outer space and calls for a stepping up of efforts at the disarmament conference with the objective of concluding a convention on prohibiting chemical weapons.

The common nature of the approach of our countries is also apparent in questions of the need for a political settlement to conflicts and disputes in the world. We favor a stepping up of efforts by the Asian states in the quest for ensuring security in the Asia-Pacific region and for the speediest convocation of an international conference on turning the Indian Ocean into a peace zone and for creating nuclear-free zones in various parts of the planet. The Soviet Union and Indonesia favor restructuring international economic relations on a just and democratic basis. Both countries come out for a switching of resources now spent on arms over to the purposes of socioeconomic development, including rendering assistance to the developing countries. [passage omitted]

Listeners again raise the question of how it was possible that a West German light aircraft could land in Moscow. The letters are emotional,, and in this regard I would like to make this point: Malicious anger is a poor assistant in solving matters. Unpleasant events in our lives should be a warning for prevention of their repetition and not for enflaming passions. The Soviet leadership has given its assessment of this incident and its causes, and at the highest level. The trials of those guilty of the demise of the MV Admiral Nakhimov and the Chernobyl tragedy show that as far as negligent individuals are concerned, our attitude is a determined one. The same may be said in this instance. As far as the pilot Rust is concerned, the investigation into his case has been completed and the indictment presented to the prosecutor's office. He is liable to a term of up to 10 years. [passage omitted]

MEDIA REPORTS, COMMENTS ON SEVENTH UNCTAD SESSION

IZVESTIYA Recaps Events

PM061329 Moscow IZVESTIYA in Russian 3 Aug 87 Morning Edition p 3

[Own correspondent V. Kuznetsov report: "Forum Over"]

[Text] Geneva -- A blow of Chairman Bernard Chidzero's [name as transliterated] gavel has brought the work of the seventh UNCTAD session to an end.

Representatives of the 168 states participating in the work of the seventh UNCTAD session discussed a broad range of questions over 3 weeks, including problems of economic development in the "Third World" and solving their difficulties, which are complicated by the growth of foreign debts and the West's desire to impose its terms on world trade. Recommendations on all questions on the agenda are contained in the decisions made by the session.

The forum took place in a difficult and tense situation. From the very beginning the United States and its closest allies adopted a course of undermining the elaboration of coordinated decisions and opposed proposals to solve complex development problems by common efforts. [paragraph continues]

Dennis Goodman, U.S. deputy assistant secretary of state, speaking in the debate during the final stage of the session, questioned the need for the continued existence of this international organization for "it does not answer present tasks."

This cynical approach was rebuffed by many delegations. It was stressed in speeches that UNCTAD must be a universal international organization called upon to play an important role in improving the international economic situation, seeking solutions to economic problems on a mutually advantageous basis, and aiding the developing countries. UNCTAD, the Soviet delegation head, Foreign Trade Minister B.I. Aristov, stressed in his speech, must make its contribution to the joint search for solutions to global problems of the contemporary world economy and to the restructuring of international economic relations on a fair democratic basis. Proceeding from this premise, the Soviet Union signed the agreement on setting up a general fund for raw materials. A number of other countries followed its example at the session, which creates specific preconditions for the agreement to enter into force very soon. Thus a real basis is created for stabilizing raw materials markets, and new opportunities to elaborate new commodity agreements are opening. This is an important result of the seventh UNCTAD session's work.

At the final session a tendency toward the joint solution of complicated problems of economic backwardness, primarily in aiding the least developed countries, was clearly revealed. The program approved by the session for further developing trade and economic cooperation between countries with different social systems is called upon to play an important role in this respect.

The results of the seventh UNCTAD session, as Chairman Bernard Chidzero stressed, again show that there is no alternative in the world to the united efforts by all countries to solve the complicated problems of the world economy. Mutual dependence and mutual assistance must become the basis of international economic relations, for now it is impossible to solve economic problems and difficulties alone.

Cheklin Eyes Soviet Involvement

LD131221 Moscow TASS International Service in Russian 0655 GMT 13 Aug 87

[Text] Moscow, 13 August (TASS) -- Vladimir Cheklin, deputy head of a Soviet trade delegation, noted in an interview to the NOVOYE VREMYA weekly (No 33): The seventh UNCTAD session was the first major forum at which the USSR stood for new thinking in international economic affairs. The Soviet Union spoke out for a constructive and nonconfrontational quest for joint solutions to main international economic problems. The signing by the Soviet Union during the conference of a multilateral agreement on establishing a common fund for raw material goods, was a concrete expression of the new approach to international economic affairs. It is expected that the putting into force of this agreement will promote the creation of a more stable and predictable situation on the markets for raw materials, which is one of the main factors ensuring the economic security of states.

Although the largest trading power in the world -- the United States -- refuses to take part in the common fund, the entry into it of the USSR will help mobilize the as yet missing financial means so that the fund can start functioning shortly. V. Cheklin pointed out: The results of the session make it possible to suppose UNCTAD will continue to play an important role in international economic relations. The striving of the majority of countries for conducting a constructive dialogue on global international economic problems in correlation to each other and for working out measures to solve them, taking into account the interests of all states, was outlined.

RADIATION FROM U.S. BLASTS HAS 'DISASTROUS' EFFECTS

LD141641 Moscow TASS in English 1638 GMT 14 Aug 87

["United States Should Abide by the Commitments Assumed" -- TASS headline]

[Text] Moscow August 14 TASS -- TASS military writer Vladimir Bogachev comments:

The United States' sharply negative attitude to the Soviet Union's proposal for a total and universal ban on nuclear weapon tests is a key impediment on the way of normalizing international relations and scaling down the threat of a nuclear war.

Nuclear explosions which keep to be conducted through the fault of Washington spur the nuclear arms race and, moreover, have a disastrous impact on the environment and people.

According to the information of the U.S. Department of Energy, 136 cases of radiation spewing out beyond the test site in Nevada after U.S. nuclear tests were recorded by mid 1985. American officials admit that on December 18, 1970, following the underground nuclear blast in Nevada, U.S. airforce aircraft monitored the spread of the radioactive cloud up to the borders with Canada.

The explosion of a nuclear device code-named "Midas Myth" on April 15, 1984 caused the surface of the rock mountain Rainier to collapse and form a crater over five meters deep. One worker was killed and 13 injured.

Nuclear test site operational personnel were exposed to radiation during the U.S. nuclear test "Mighty Oak" on April 10, 1985. The U.S. Department of Energy concealed this incident for several weeks by refuting the reports about the leakage of radioactive substances.

The ejection of radiation as a result of U.S. nuclear tests in Nevada are constantly registered by competent bodies of the Soviet Union outside the national territory of the United States. The current year of 1987 witnessed three cases of the radioactive fallout from U.S nuclear explosions in non-American territory, which is a flagrant breach of the provisions of the Soviet-U.S. treaty on banning nuclear weapon tests in the three media of 1963.

U.S. nuclear explosions in the atmosphere conducted before 1963 inflicted a damage upon the health of thousands of residents in Micronesia. U.S. and Japanese scientists estimated that forty per cent of the residents of the islands in the area of the Atoll Bikini suffer from grave thyroid gland disorders. Numerous cases of cancer, skin disease and lymphatic system were recorded among residents of Micronesia. At least 40 Japanese fishermen died as a result of the exposure to radiation in the Pacific Ocean.

The 1963 treaty on banning nuclear weapon tests in the atmosphere, in outer space and underwater put up a barrier to the intensive radioactive contamination of the environment. Following 1963, the radiation level on the globe perceptibly dropped. However, scientists now warn that it can be raised considerably as a result of intensive underground tests with the ejection of radioactive substances.

To solve this issue in the interests of mankind, it is necessary that the United States should display at last respect for the agreements signed by it and fulfil not in words but in deed the commitment assumed by it under the 1963 treaty, that is to reach a ban on all test explosions of nuclear weapons once and for all.

BORIN RAPS PENTAGON PLAN TO 'DEMOTHBALL' B-53 BOMBS

PM141749 Moscow KRASNAYA ZVEZDA in Russian 13 Aug 87 First Edition p 3

["Rejoinder" by Lieutenant Colonel Yu. Borin: "Removing From the Old Vaults..."]

[Text] A piece of alarming news has spread around the world press: The U.S. Defense Department has informed Congress that it is starting to demothball the extremely powerful B-53 nuclear aerial bombs, which will become strategic offensive arms. As specialists comment, it is the Pentagon's plan that such aerial bombs should make up for the decommissioned Titan-2 ICBM's, which have virtually the same charge.

The time chosen to make the U.S. military department's decision public is not fortuitous. The USSR's historic proposal of 15 January 1986 to eliminate nuclear and other kinds of weapons of mass destruction by the year 2000 opened up for mankind the way to a world without wars. The peoples of all countries have given the broadest welcome to the latest Soviet peace initiatives -- the "global double-zero option" on medium-range and operational and tactical missiles and the halving of U.S. and Soviet strategic nuclear armaments accompanied by strengthening of the ABM Treaty. The ruling circles of Western countries and above all the United States did not dare this time to reject the Soviet Union's constructive new proposals "out of hand." But they did prove incapable of adopting them, hampered by the blinders of militarist thinking. Therefore, while continuing to proclaim at every political forum their commitment to the cause of nuclear disarmament, they seek to hamper and, if possible, thwart the Soviet Union's peace offensive.

The Pentagon's decision must be seen in this light. It was taken with the provocative aim of provoking the Soviet Union to take a similar step -- not reducing but, on the contrary, increasing its nuclear arsenal. If you follow the transatlantic strategists' militarist logic, the increase ought to be a very large one, since the old aerial bombs -- up to 10 megatons each -- which the Pentagon has announced its intention to "demothball" are substantially higher in their yield than all other charges in the present U.S. arsenal. The stocks of these lethal weapons in the United States, judging by all the U.S. press reports, are considerable. The creation of stocks of B-53 aerial bombs, for example, made it possible for the Pentagon back in 1969-1970 to replace and decommission three other types of nuclear munitions.

In other words, the U.S. military and political leadership's dangerous manipulations with the B-53 bombs have again graphically illustrated to the whole world its stubborn desire to pursue a policy that is in no way aimed at preventing nuclear catastrophe. The megaton aerial bombs are not designed for any sort of defensive purpose. They can only serve aggressive purposes.

U.S. PLANS F-15, MISSILE SALES TO SAUDI ARABIA

LD170838 Moscow TASS in English 0827 GMT 17 Aug 87

[Text] Washington August 17 TASS -- The Reagan administration is planning to sell one billion dollars worth of arms to Saudi Arabia.

THE WASHINGTON POST newspaper reported today with reference to "informed sources" that up to 14 F-15 fighter planes are to be delivered under the deal, and Saudi Arabia's already available aircraft of this type and other U.S. arms are to be modernized. Besides, the administration is expected to seek the sale of 1,600 "Maverick" missiles to Saudi Arabia again.

In June this year, under increased pressure on the part of the pro-Israeli lobby on the Capitol Hill, the administration had temporarily put aside plans for the sale of the missiles to Saudi Arabia.

The report in THE WASHINGTON POST newspaper has it that an official notification about the planned deal will be issued immediately after the Congress resumes work on September 9 following the summer recess. The newspaper points out that the administration's plans to deliver a large batch of arms to Saudi Arabia may lead to a new major test of strength between the White House and the Democrats-controlled Congress.

U.S. RESPONSIBLE FOR 'WICKED' AFGHAN DOWNING

LD141137 Moscow TASS International Service in Russian 1025 GMT 14 Aug 87

[Text] Moscow, 14 Aug (TASS) -- TASS Observer Leonid Ponomarev writes:

Yet another Afghan transport plane, an AN-26 with passengers on board, has been hit by a U.S. Stinger missile. The plan was flying from Kabul to Khowst and had on board passengers and cargo for the population of the Khowst area. Twelve people, including two children, fell victim to the new crime by the dushmans who are maintained by the United States. Ignoring all principles of humanism, diplomatic standards and international relations, the Washington administration is supplying the Afghan terrorists with weapons, including the Stinger missiles, which they use against civil airliners. Thus last February an AN-26 plane was downed by a U.S. Stinger and 36 passengers died. In June, 53 passengers, including children on board an AN-26 plane, fell victim to a similar terrorist act. It was downed near the town of Qandahar. U.S. Stingers were first supplied as weapons to the dushmans in 1986, and in that same year the Pentagon provided them with 600 such missiles. Another 600 Stingers will be supplied to them in the current financial year which ends in September.

In this financial year alone the U.S. Administration has allocated $630 million for deliveries of arms to the Afghan extremists. Another $670 million are planned for the 1988 financial year. According to THE WASHINGTON POST the bandits are reckoning on receiving "aid" from Washington to the tune of up to $1 billion in 1989. While delivering "Stingers" to the bandits the U.S. Administration is not the least bit worried that civilian planes and peaceful citizens are becoming the targets of those mercenaries. In the light of these and other facts it is becoming even more obvious that Washington is striving to prolong the bloodshed on Afghan soil for as long as possible and to undermine the DRA Government's program of national reconciliation, which is creating the basis for stabilization of the situation in the country. There is not the slightest doubt that the responsibility for the new wicked deed by the Afghan extremists also lies with Washington.

PRC PARLIAMENTARY DELEGATION IN LENINGRAD

Holds Talks at City Soviet

LD161432 Moscow TASS in English 1409 GMT 16 Aug 87

[Text] Leningrad August 16 TASS -- The delegation of the Commission for the Affairs of Nationalities of the National People's Congress (NPC) of China completed their familiarization with the city of the Neva today.

The delegation is led by Yu Wen, member of the NPC Standing Committee, deputy chairman of the commission. The delegation had a talk at the Leningrad City Soviet where the guests were told about the Leningraders' work to implement the decisions of the 17th Congress of the CPSU and about the current reorganization process in all spheres of the city's life.

The leader of the Chinese delegation spoke out in favour of wide exchange of experience and the development of Sino-Soviet contacts, including parliamentary ones, in the name of strengthening friendship between the peoples of the PRC and the Soviet Union.

The Leningrad City Soviet gave a dinner in honour of the delegation.

Visits Leningrad Sites

LD151811 Moscow TASS in English 1750 GMT 15 Aug 87

[Text] Leningrad August 15 TASS -- Members of the delegation of the Commission for Affairs of Nationalities of the Chinese National People's Congress today visited Lenin's study at the Smolnyy, the conference hall of the building where the first decree of Soviet Government was proclaimed. The guests are in the Soviet Union at the invitation of the Commissions of the Chambers of the USSR Supreme Soviet.

The Chinese parliamentarians visited the Piskarevskoye memorial cemetery, the burial place for over half a million citizens and Soviet servicemen who lost their lives during the Second World War. The guests observed a minute of silence in memory of the fallen and laid a wreath to the motherland monument. The guests went to see the Peter and Paul Fortress which ushered in the history of the city on the Neva River early in the 18th century. They made a round of the Hermitage Art Museum.

SINO-SOVIET EDUCATIONAL EXCHANGES EXPAND

OW290429 Moscow International Service in Mandarin 1500 GMT 29 Jul 87

[From "USSR Today" program]

[Excerpts] As you know, the Soviet Union and China resumed the exchange of students, post-graduate students, and teachers in 1983. At the present time, the two countries exchange groups of 200 people annually. Cooperation in other areas, such as training cadres to improve their technical skills, is also developing steadily. The two countries are drafting a plan for cooperation in education for the 1988-90 period.

This plan will provide for expanded cooperation in vocational and technical education and the exchange of experience in training workers to improve their technical skills. In this regard our station commentator Dmitriyev writes:

[Passage omitted] Our vocational and technical education departments maintain close ties with socialist countries. Cooperation in this field takes a variety of forms, including exchanging experience in training workers, drafting teaching programs, preparing textbooks, exchanging experts, and conducting joint scientific and technological activities for professors and students. Here, I am pleased to point out that the Soviet Union and China have resumed cooperation in this area. (Dubov), of the Soviet State Committee for Vocational and Technical Education, briefed me on progress in this field.

(Dubov) said: [(Dubov) is briefly heard, speaking in Russian, fading into Chinese translation] Cooperation between the Soviet Union and China in the field of education, especially vocational education, has strengthened recently. A working group for cooperation in the field of education was set up in the joint Soviet-Chinese Intergovernmental Committee for Economic, Scientific and Technological Cooperation. During the group's first meeting in Beijing last April, both sides pledged to actively promote cooperation in the training of workers. The Soviet Union has some experience in this field. In the fifties, the Soviet Union and China began cooperation in this field. At that time, the PRC had just been founded. For the new country, which began socialist construction without a single industrial foundation, training workers was a pressing task. Several thousand Chinese workers went to study at Soviet industrial and mining enterprises and educational institutions, where they acquired new techniques. Several hundred Soviet experts also worked in China, helping Chinese workers master new specialized skills.

(Dubov) continued: Today, in its economic modernization drive with special emphasis on modern science and technology, China also faces the task of perfecting its vocational and technical education system for training its workers. We understand that China has begun reforming its educational system. We are more than willing to exchange experience with our Chinese counterparts, and we are interested in learning from our Chinese comrades.

(Dubov) continued: [(Dubov) is briefly heard, speaking in Russian, fading into Chinese translation] Our cooperation with the Chinese side has produced initial results. A month ago, we received a Chinese educational delegation headed by Wang Mingda, vice minister of China's State Education Commission. The two sides expressed strong interest in resuming cooperation in teaching and in exchanging experience in training teachers. They reached agreement on sending 10 Chinese vocational and technological educators to the Soviet Technical Educational Research Institute in Leningrad next September. During their 2-month stay, the Chinese experts will learn about teaching methods employed by the Soviet Union in training workers and teachers for vocational and technical education institutions. We hope that the Chinese experts will learn something new from their stay. A delegation of the Soviet State Committee for Vocational and Technical Education also plans a visit to China. We hope that our ties will further expand.

(Dubov) concluded: [(Dubov) is briefly heard, speaking in Russian, fading into Chinese translation] We believe that cooperation between the Soviet Union and China in the training of workers will increase contact between the peoples of the two countries, promote their economic modernization, speed up their social and economic development and strengthen friendship between the Soviet and Chinese workers.

SOVIETS 'SUDDENLY' RESCHEDULE HAWKE'S OCTOBER VISIT

BK161028 Hong Kong AFP in English 1022 GMT 16 Aug 87

[Text] Canberra, Aug 16 (AFP) -- Australian Prime Minister Bob Hawke will visit the Soviet Union in December following the sudden cancellation of a visit planned for October, an official spokesman said Sunday.

The spokesman said that Soviet Embassy officials had advised the Australian Government of "an unexpected and important event" which would prevent Mr. Hawke meeting Soviet Leader Mikhail Gorbachev as planned.

Australian officials believed this event would be a summit meeting between Mr. Gorbachev and U.S. President Ronald Reagan, the spokesman said.

Mr. Hawke was to have visited Leningrad and Moscow in October after the four-day commonwealth heads of government meeting in Vancouver.

The spokesman said Mr. Hawke had now decided to accept a Soviet offer of an alternative date in December.

SRV OFFICIAL COMMENTS ON CAMBODIAN SITUATION

BK160443 Moscow in Cambodian to Cambodia 1330 GMT 15 Aug 87

[Text] Comrade Tran Quang Co, Vietnamese deputy foreign minister, noted that favorable conditions have emerged to normalize the situation around Cambodia. The comrade deputy minister talked about this at a press conference on the outcome of the consultative meeting of deputy foreign ministers recently held in Phnom Penh.

At the three Indochinese countries' meeting, the participants affirmed their readiness to continue the search for such a normalization. The three Indochinese countries also expressed their desire to expand dialogue with all parties concerned with this issue. Last July, Vietnam and Indonesia put forward a proposal concerning an unofficial meeting of PRK representatives with groups of exiled Cambodians aimed at finding a solution to the Cabmodian problem.

KORNILOV REBUTS ZIAUL HAQ ON DRA, TERRORISM

LD150948 Moscow TASS in English 0913 GMT 15 Aug 87

["In a Crooked Mirror" -- TASS headline]

[Text] Moscow August 15 TASS -- Political news analyst Yuriy Kornilov writes:

The French newspaper LE QUOTIDIEN DE PARIS has published an interview with the President of Pakistan Ziaul Haq in which he mentioned for the umpteenth time the alleged "Soviet threat" to Pakistan. On uttering that Islamabad "assumes that the Russians want to withdraw from Afghanistan" the president stated that Islamabad intends to "take Moscow at its word". When replying to one of the questions he urged the "pooling of efforts" in the struggle against terrorism adding that "it is not all that important to know" who is behind the terrorism.

The thesis about the mythical "Soviet threat" and plans of a "Soviet expansion to the south" was first invented by experts on misinformation not in Islamabad but in Washington. It is so absurd that it needs no refutation: it is totally refuted by the political course of the USSR which persistently and consistently comes out for the speediest settlement of the situation in Afghanistan and around it. It has been repeatedly stated in Moscow, including at the highest level, that in principle the question of the withdrawal of Soviet troops from Afghanistan is solved. We want the timetable to the withdrawal to be a tight one on the condition, of course, that interference in the affairs of that independent country be stopped and guarantees of its non-resumption given. The Pakistani president is obviously at odds with logic when he contends, on the one hand, that the USSR is bent on forcing its way to the warm seas and, on the other hand, when he declares that it would not be wise to doubt the Soviet Union's intention to withdraw from Afghanistan.

But the question arises what, or to be more exact, who obstructs the fulfilment of this intention?

The answer to this question is in the policy those circles in the West, first of all in the United States, which are increasingly turning Pakistan into a Pentagon outpost in South Asia and banking not on peace but on a continuation of bloodshed in Afghanistan, and are trying to torpedo the programme of national reconciliation proclaimed by Kabul.

Suffice it to recall that Washington's material "aid" to those who oppose the existing regime in the DRA started with the allocation of several dozen million dollars under President Carter; according to Western, in particular British sources, the amount has already exceeded 630 million dollars. Moreover, in the next fiscal year it might even exceed a billion dollars. "Reagan's biggest war" -- this is how Washington's "Afghan policy" was described by the authors of a documentary film about Afghanistan made by the British ITV television company.

Very aptly stated, indeed. If Islamabad really wanted to "take at their word" those who speak about wanting a settlement but act in the opposite direction, they should turn not in the direction of Moscow, but in a totally different one: Washington, Pennsylvania Avenue, the White House...

"It is not all that important now to know who is behind the terrorism", Ziaul Haq stated. No, Mr President, it is important to know exactly this because in order to cure a grave and dangerous disease it is necessary first of all to determine and eliminate its causes. Terrorism does not appear out of thin air. It is a direct result of Washington's imperialist policy, its emphasis on strength and diktat. A nutritive medium for terrorism is created by those circles in the United States which pursue the course of confrontation and in the process are trying to crush the regimes they do not like, and creating seats of conflict, "flash points" and zones of tension.

It is the United States that has elevated terrorism to the rank of state policy. Let us recall in this connection that according to John Stockwell, a former CIA staffer, about three million people have already fallen victim of the "secret wars" waged by the American "intelligence community" in developing countries. At the time when the president of Pakistan was exercising in oratory in front of French journalists on the topic of the need to combat terrorism, news agencies reported yet another criminal act of terrorism: an AN-26 transport plane was shot down in Afghanistan. This plane was downed by a "Stinger" rocket bearing the stamp "Made in USA" and which found itself in the hands of dushmans not without the assistance of the Pakistani authorities.

Ziaul Haq's interview is a futile attempt to whitewash the actions of those who obstruct the ending of the bloodshed in Afghanistan, who are spawning and encouraging terrorism, and an attempt to delude both the French and the international public.

BEGLOV VIEWS GULF DEVELOPMENTS IN SELSKAYA ZHIZN

PM171011 Moscow SELSKAYA ZHIZN in Russian 15 Aug 87 p 3

[Article by Political Observer Spartak Beglov under the "Look at Events" rubric: "Storm Clouds Over the Gulf"]

[Excerpts] Over the past 3 weeks, despite the fact that the UN Security Council adopted a resolution 20 July urging Iran and Iraq to end the war, the situation in the Persian Gulf and around it has continued to heat up. [passage omitted]

International observers have unanimously recorded the fact that the continuous buildup of the U.S. military presence in southwest Asia has led to the concentration in the Persian Gulf region of the largest U.S. combat force in terms of numbers and fire power (since the Vietnam war). THE NEW YORK TIMES published an article which, citing the opinions of unnamed "specialists" and "senior officers," reviews various entirely probably scenarios for U.S. military operations in this region. These include "acts of retribution" against Iran by means of an air strike, using the aircraft carrier Constellation in the Arabian Sea and the B-52 bombers based in Guam, refueling them on the island of Diego Garcia in the Indian Ocean. Or naval artillery shelling of Iran's coastal regions. The battleship Missouri, which is expected soon in this region, is equipped not only with 16-inch guns but also with Tomahawk cruise missiles, which can be launched from a great distance. One scenario, based on a "potential Iranian attack on Kuwait or Saudi Arabia," envisages using U.S. marines and assault troops for a "retaliatory strike."

What is pushing the U.S. Administration to this dangerous course? U.S. observers advance among the main motives its desire to "compensate for the political damage" inflicted on it by the Irangate scandal. Of course, White House spokesmen "categorically deny that Reagan organized the crisis in the Gulf in the hope of gaining an opportunity to deliver a retaliatory strike against Iran," the CHICAGO TRIBUNE notes.

But assessment of U.S. intentions and actions must not be based solely on current motives of expediency. The history of U.S. policy in this region over the past 40 years bears witness to the fact that the Persian Gulf and the oil resources of the Near and Middle East have become the object of U.S. ruling circles' obsessive desire to be in command and give the orders there as in their own backyard. It is not coincidence that a CHRISTIAN SCIENCE MONITOR observer calls the militarist action in the Persian Gulf region "Reagan's fourth colonial war," the first three being the air attacks on Libya (1981-1986), the intervention in Lebanon (1983), and the invasion of Grenada (1983). "The stakes here are quite high," the newspaper writes. "It is a question of whether Iran or the United States will have the right to the casting vote in the Persian Gulf."

Summarizing the causes of the crisis which U.S. foreign policy is going through and of the latest bout of strong-arm policy in the Persian Gulf, the U.S. NATION magazine writes: "The creators of the U.S. diplomatic establishment's policy have been simply incapable of reconciling themselves to the loss of Iran as a client-state and supervisor of U.S. interests in the Near East."

Of course, they have not managed to justify this course without the mandatory references to the "Soviet threat." Those who are more accustomed to practicing anti-Sovietism in the most primitive sense are frightening people with the "danger" of the transformation of the Persian Gulf into a "Soviet lake." More subtle U.S. politicians are sufficiently perspicacious to see how strong the prestige of the Soviet peace-loving course has become in this region. Therefore, for them the "Soviet threat" lies in the very fact of the normalization of relations between the USSR and the Arab states on the Arabian Peninsula and in our constructive initiatives aimed at solving the region's acute problems by exclusively political means. Thus the U.S. Administration prefers to wear itself out in a vicious circle of its own making, essentially ignoring the practical opportunities for collaboration with the USSR and other states in the search for a peaceful solution to a very complex conflict situation. The Soviet Union is consistent in maintaining that the withdrawal as soon as possible from Gulf waters of all warships which have nothing to do with the region would play a huge role in the success of peacemaking efforts. So would the execution of UN Security Council Resolution No 598 by all parties.

SHEVARDNADZE VIEWS CONFERENCE, TIES WITH ISRAEL

TA090721 Tel Aviv MA'ARIV in Hebrew 9 Aug 87 pp A1, 2

[Report on interview with Soviet Foreign Minister Eduard Shevardnadze by Sari Robert in Geneva, during Shevardnadze's news conference in the Soviet Embassy on 7 August]

[Excerpts] Soviet participation in an international Middle East peace conference should not be linked to the resumption of diplomatic relations with Israel, Soviet Foreign Minister Eduard Shevardnadze told the MA'ARIV correspondent in Geneva. [passage omitted]

Replying to a question on whether he accepts Shim'on Peres' opinion that Soviet participation in the peace conference should be tied to the establishment of diplomatic relations between the two countries and the opening of Soviet gates to Jewish emigration, Shevardnadze replied: These are two distinct, completely unrelated issues.

Replying to another question, the Soviet foreign minister told the MA'ARIV reporter that the Soviet Union is highly interested in an international conference and welcomes the idea. He said he is encouraged by the worldwide interest in the matter and the fact that there is currently greater understanding in the world for the interest that a peace conference would arouse. He believes that Shim'on Peres is more flexible on the conference than other Israeli statesmen.

Answering the question on the renewal of ties, he replied: This is a totally separate issue. We refuse to link it to our participation in a peace conference. This is how we are operating at the moment.

He did not address the issue of opening Soviet gates to Jewish emigration at all.

MUSLIM DELEGATION LEAVES FOR SUDAN 14 AUG

LD141018 Moscow TASS International Service in Russian 0440 GMT 14 Aug 87

[Text] Moscow, 14 Aug (TASS) -- A delegation of Muslims from the Soviet Union flew today from Moscow to Sudan at the invitation of their fellow believers. The delegation is headed by Mufti al-Haj Makhmud Gekkiyev [name as received], the chairman of the Spiritual administration of Muslims of North Caucasus. Accompanying him to Sudan are religious figures representing the spiritual administrations of Muslims guiding the religous life of communities in the towns and rural locations of the European part of the USSR and Siberia, the Central Asian republics, Kazakhstan and Azerbaijan SSR. There are four such centers in the Soviet Union.

Mufti Makhmud Gekkiyev told a TASS correspondent that he and his colleagues are glad of the opportunity to meet with their fellow believers in Sudan, because the Muslims of the Soviet Union have long maintained friendly links with them.

"The followers of Islam have visited the USSR several times. Specifically, a group of eminent Sudanese took part in the international Islamic conference 'Muslims in the struggle for Peace,' which took place last year in Baku, the capital of Soviet Azerbaijan. Muslims from Sudan took part with us in the international forum held in Moscow which had the slogan 'For a non-nuclear world, for the survival of mankind,'" the Mufti said in conclusion.

GORBACHEV MESSAGE GIVEN TO ANGOLA'S DOS SANTOS

PM141041 Moscow PRAVDA in Russian 13 Aug 87 Second Edition p 4

[TASS report: "Message Delivered"]

[Text] Luanda, 12 Aug -- Jose dos Santos, chairman of the MPLA-Labor Party [Popular Movement for the Liberation of Angola-Labor Party] and president of Angola, has received here A.Yu, Urnov, personal representative of the CPSU Central Committee general secretary, who gave him a message from M.S. Gorbachev.

During the conversation, which took place in a warm, friendly atmosphere, the chairman of the MPLA-Labor Party was informed of the results of the CPSU Central Committee June Plenum.

Jose Eduardo dos Santos noted that the restructuring going on in the Soviet Union is of great international significance and accords with the interests of all progressive forces.

There was also an exchange of opinions on certain questions of the international situation, the situation in southern Africa, and Soviet-Angolan relations. The desire to further strengthen and develop cooperation between the Soviet Union and Angola and between the CPSU and the MPLA-Labor Party was reaffirmed.

Urnov Departs for Home

PM141217 Moscow PRAVDA in Russian 14 Aug 87 Second Edition p 4

[TASS report: "Return to Moscow"]

[Text] A.Yu. Urnov, deputy chief of the CPSU Central Committee International Department, returned to Moscow from the People's Republic of Angola 13 August.

TATARCHUK, CPSU DELEGATION LEAVE FOR BENIN VISIT

PM170905 Moscow PRAVDA in Russian 17 Aug 87 Second Edition p 5

[TASS report: "Delegation Departs"]

[Text] A CPSU delegation headed by N.F. Tatarchuk, member of the CPSU Central Committee and first secretary of Kalinin CPSU Obkom, left Moscow for Benin 16 August at the invitation of the Benin People's Revolutionary Party [PRPB] Central Committee.

The CPSU delegation arrived in Cotonou the same day. It was met at the airport by Shabi Lafia [name as published], member of the PRPB Central Committee and first deputy chief of the PRPB Central Committee External Relations Department, and other officials.

During its stay in Benin the CPSU delegation will familiarize itself with the PRPB's activity aimed at implementing the decisions of its Second Congress and will exchange experience of organizational and ideological work.

DEMICHEV MEETS WITH FINNISH FRIENDSHIP DELEGATION

PM131005 Moscow IZVESTIYA in Russian 9 Aug 87 Morning Edition p 4

[TASS report: "Friendly Conversation"]

[Text] On 8 August P.N. Demichev, candidate member of the CPSU Central Committee Politburo and first deputy chairman of the USSR Supreme Soviet Presidium, received the leaders of the Finnish delegation at the Sixth Festival of Friendship of Soviet and Finnish Youth, which is taking place in Moscow.

Greeting the friendly country's envoys, P.N. Demichev noted the onward development of Soviet-Finnish good-neighborly relations and the two countries' constant desire to build their cooperation on a long-term basis and on the principles of friendship and trust.

P.N. Demichev answered the guests' questions and acquainted them with the progress of restructuring implemented in all spheres of Soviet life. The delegation leaders spoke out in support of the large-scale peace initiatives put forward by M.S. Gorbachev, general secretary of the CPSU Central Committee. They assessed highly the messages from A.A. Gromyko, chairman of the CPSU Supreme Soviet Presidium, and M. Koivisto, president of Finland, to the festival.

The broad interest of Finnish youth in the traditional Festival of Friendship was stressed. The members of the delegation and Finnish tourists will take an active part in the "roundtable" discussions, where topical questions of young people's life will be raised and new forms of cooperation and joint struggle for peace and disarmament will be discussed.

Both sides were unanimous in the opinion that the festival will be a new contribution to friendship and cooperation between the young people of the two countries and to strengthening good-neighborly Soviet-Finnish relations.

FISH INDUSTRY MINISTER MEETS WITH NORWAY PREMIER

PM141737 Moscow IZVESTIYA in Russian 14 Aug 87 Morning Edition p 4

[Unattributed report under "Official Reports" rubric]

[Text] Norwegian Prime Minister Gro Harlem Brundtland has received N.I. Kotlyar, USSR minister of the fish industry, who was in Oslo on an official visit, on 12 August. In the course of the conversation they touched on questions concerning fishing in the Barents and Norwegian Seas and a number of other problems of interest to both sides. As the prime minister stressed, all opportunities now exist for expanding political contacts and economic cooperation between the two neighboring countries.

BRIEFS

USSR-CYPRUS HEALTH COOPERATION -- Moscow July 29 TASS -- An agreement signed here today by the Ministry's of Public Health of the USSR and Cyprus provides for cooperation by medics of the two countries in the field of oncology, cardiology, and lung diseases. A working plan of ties in the 1987 and 1988 was also signed. The sides intend to exchange scientific-technical information and there will be mutual visits by specialists. Scientists will conduct joint research. Bilateral symposiums and colloquiums will become an important form of cooperation. [Text] [Moscow TASS in English 1619 GMT 29 Jul 87 LD]

U.S.-LED PLOT TO TOPPLE PANAMA GOVERNMENT REPORTED

LD051451 Moscow TASS in English 1339 GMT 5 Aug 87

[Text] Panama City August 5 TASS -- A plot by right-wing forces aimed at destabilizing the domestic situation and toppling the legitimate government has been uncovered in Panama.

A search conducted by order of the judicial authorities on the premises of Panama's Chamber of Trade revealed tens of thousands of copies of leaflets and brochures, hundreds of video and audio tapes with the programme of action of reactionaries known to be acting under instructions of the U.S. Embassy.

After seizing power, a press conference here has been told, the right-wingers planned to purge the national defence forces with a view to ridding them of progressive-minded military, dissolve the legislative assembly and the supreme court and hold "elections" that would legalize a new government.

Journalists were shown rough copies of the seized seditious documents with notes in English and copies of telex reports addressed by the leaders of the Chamber of Trade to officials in the U.S. and several other countries.

The republic's prosecutor-general told the press conference that an inquiry was launched into facts of evident foreign interference in the country's internal affairs. Severe punishment would be meted out for those guilty.

The Panamanian Government denounced the hostile anti-Panamanian campaign launched by U.S. reactionary forces. A letter has been sent to the Organization of American States with a call to condemn the continued attempts by American reactionaries to provoke disorders in Panama with a view to ousting the government.

U.S. 'EXTRAORDINARY MEASURES' POSSIBLE IN PANAMA

LD071922 Moscow TASS in English 1843 GMT 7 Aug 87

[Text] Moscow August 7 TASS -- TASS political news analyst Anatoliy Medvedenko writes:

On August 8, 1980 U.S. President Jimmy Carter signed a law proclaiming the Panama Canal 'territorial waters of the United States'. Both Panamanians and the world public in general were puzzled by this step. The thing is that on September 7, 1977 a treaty on neutrality and on the functioning of the canal was signed. It is at that time that a treaty on the Panama Canal was concluded which provided for its passing over under full control of Panamanians starting from January 2000.

It is worth mentioning that the treaty was not a kind concession on the part of the U.S. Administration, but a step it was forced to take under the pressure exerted by the Panamanian people who had waged the struggle for independence for several decades. Independence of Panama is inseparable from independence of the Panama Canal.

There are 13 years left before Panama takes over. However, even today it is feared that the 1977 treaty might not come into force. The reason for this concern is the pressure exerted by the U.S. on this Central American country. Washington makes no secret of the fact that it is pressing for the resignation from his post of General Antonio Noriega. In this way the U.S. seeks to lessen or even bring to naught the traditional political role played in Panama by military leaders who come out for the unconditional abiding by the above mentioned treaties.

According to political observers, the root cause of Washington's actions is its resolve to prevent the reduction, let alone elimination, of its military presence in the Panama Canal zone.

The situation in Panama is developing in such a way that a possibility of extraordinary measures on the part of the Reagan administration, including the repetition of the tragedy of Grenada, should not be ruled out. In this respect it is worth mentioning a statement of Elliott Abrams, U.S. assistant secretary of state for inter-American affairs, made at a press conference in Bogota where he paid a working visit late in July. Abrams made it clear that if the strengthening of anti-American trends in Panama threatened American facilities in that country the U.S. could take resolute measures. The conditioning by Americans of representatives of a number of Latin American countries in hope of enlisting their support in case those 'resolute measures" are taken also looks suspicious.

By insisting on the removal of Noriega from the political arena Washington hopes to undermine from inside the Contadora group of which Panama is an active member, and in this way to reduce to the minimum a possibility of a peaceful settlement of the conflict in Central America.

All this shows that the problem facing Panama is no longer a purely internal problem of this country and is becoming an international one. A further devlopment of the situation both in Central America and in the continent in general depends a great deal on the way it is resolved.

CPSU DELEGATION LEAVES FOR GUYANA PARTY CONGRESS

PM101250 Moscow PRAVDA in Russian 8 Aug 87 Second Edition p 4

[TASS report: "To Take Part in the Congress"]

[Text] A CPSU delegation consisting of N.S. Perun, responsible secretary and member of the CPSU Central Committee Party Control Committee (leader of the delegation), and D.D. Muravyev, senior official at the CPSU Central Committee International Department, left Moscow for Georgetown on 7 August at the invitation of the leadership of the ruling party of Guyana, the People's National Congress [PNC], to take part in the Seventh PNC Congress.

BRIEFS

RESEARCH PLANE IN CUBA -- An IL-18 flying laboratory has arrived in Cuba. This is the second time that a Soviet scientific expedition has flown to the island in order to continue research with scientists of the Cuban Academy of Sciences in the field of practical meteorology. They are studying tropical cyclones and hurricanes, and active influence on clouds, with the aim of initiating rain over Cuba. [Summary] [Moscow Domestic Service in Russian 0730 GMT 14 Aug 87 LD]

CPSU CENTRAL COMMITTEE POLITBURO SESSION HELD

PM140929 Moscow PRAVDA in Russian 14 Aug 87 Second Edition p 1

[Unattributed report: "At the CPSU Central Committee Politburo"]

[Text] At a session held on 13 August, the CPSU Central Committee Politburo examined the question of the accelerated development of priority areas of chemical science and technology. It was noted that chemistry plays an enormous role in the country's scientific and technical progress. Its achievements are extensively introduced into machine-building, the power and construction industries, agriculture, medicine and many of the industries engaged in the production of consumer goods. The task was set of achieving, on a foundation of all-round development of scientific research and of the development and introduction of progressive technological processes and machinery, the satisfaction of the needs of the national economy for modern, high-quality chemical products and materials. In a decision of the CPSU Central Committee and the USSR Council of Ministers which was adopted on this question, the most important directions for fundamental and applied chemical research were specified. Research in these areas will ensure a considerable enhancement of the effectiveness of the relevant branches of science and of the operation of industry, and the practical introduction of fundamentally new, highly economical types of production. New generations of constructional and composition materials and other chemical products with properties appreciably superior to those of the existing ones are to be created. It is intended that the results achieved will be widely used to expand the chemicalization of the national economy, to improve health care, to enhance the safety of chemical production and reduce its harmful effects on the environment. New forms of organization are to be supplied to science and the introduction of the results of scientific work, and the level of training of chemical specialists is to be raised.

The Politburo supported the proposed publication of a fundamental work in 10 volumes to be entitled "The Great Patriotic War of the Soviet People" ["Velikaya Otechestvennaya Voyna Sovetskogo Naroda"]; its preparation was entrusted to the USSR Ministry of Defense, the USSR Academy of Sciences and the Institute of Marxism-Leninism of the CPSU Central Committee.

Supplementary measures were approved for the prevention of AIDS in the USSR and for the deepening of international interaction in the fight against this disease.

Having examined the question of Comrade Shevardnadze's visit to Geneva, the Politburo made a positive evaluation of its results. The importance was stressed of enhancing the role of the Geneva Disarmament Conference and of turning it, in the long-term, into a permanently operating universal body in the system of disarmament negotiations. The Politburo noted in particular the urgency of achieving an accord on the elimination of the two classes of nuclear armaments of the USSR and the United States, medium-range and operational and tactical missiles, on the destruction of all the nuclear warheads, including those for the West German Pershing-1A missiles.

The session of the CPSU Central Committee Politburo also discussed certain other questions of the life of the party and of the state.

FOREIGN AFFAIRS BRIEFING HELD ON MARRIAGE, TRAVEL

LD131546 Moscow TASS in English 1539 GMT 13 Aug 87

[Text] Moscow August 13 TASS -- The supplements to the document regulating entry into the USSR and exit from the USSR, that entered into force seven months ago, substantially expand the possibility of contacts both in terms of short visits and departure for permanent residence, a briefing at the press centre of the USSR Ministry of Foreign Affairs was told today by Rudolf Kuznetsov, head of the visa-issuing and registry office of the Soviet Ministry of Internal Affairs.

In particular, this found its reflection in Article 24 of the law which says that departure for permanent residence can be effected not only on the invitation of the most direct and closest relatives but also of brothers and sisters.

Whereas before January 1, 1987 exit was denied to those most of whose closest relatives remained in the USSR now this restriction has been lifted. One can leave, for instance, on the invitation of a brother together with one's family regardless of whether there are relatives remaining in the USSR.

In the first seven months of this year about 13,000 people received permission to leave the Soviet Union for permanent residence abroad, or 140 per cent more than throughout the whole of 1986. It follows from this that the supplement is not of a restrictive nature, as some people in the West are contending, but, on the contrary, expands possibilities in this respect, Rudolf Kuznetsov said. As to short trips, not only any relatives but also acquaintances can leave the Soviet Union on invitation and invite to visit the Soviet Union. Here there are no restrictions with the exception of Article 25 and the law on the legal status of foreign citizens in the USSR.

Prior to January 1, 1987, Soviet citizens were allowed as a rule to travel abroad once a year. Now these restrictions have been lifted and Soviet citizens can make as many trips as their personal time permits them. The following rule has also been introduced: If a person who left the USSR for Israel lives in a third country with which the USSR has diplomatic relations and got its citizenship, he can enter the Soviet Union on the same basis as citizens of such countries.

Replying to questions by journalists Rudolf Kuznetsov said that the number of applications to the visa-issuing office to leave the USSR from people of all nationalities as of today did not exceed a thousand, while in the West it is alleged that this figure is much bigger.

The number of people returning to the USSR reached 240-250 at the beginning of this year, said Oleg Avramenko, deputy head of the Consular Department of the USSR Ministry of Foreign Affairs. Roughly the same number of people is to return shortly to the country. They will come in several groups. Oleg Avramenko also stressed that a special commission was set up recently under the Commission on Citizenship of the Presidium of the USSR Supreme Soviet to study questions concerning exit from the country adopted by bodies of the Ministry of Internal Affairs.

'Restrictions Lifted'

LD132141 Moscow Domestic Service in Russian 1730 GMT 13 Aug 87

[Text] A briefing on current questions of international politics for Soviet and foreign journalists was held today at the Press Center of the USSR Foreign Ministry. Comrade Kuznetsov, head of the Visa and Registration Department of the USSR Internal Affairs Ministry; Comrade Avramenko, first deputy head of the Consular Administration of the USSR Foreign Ministry; and Comrade (Nizovskiy), head of the Notaries and Civil Registrars Department of the USSR Justice Ministry, spoke during the briefing.

The talks concerned a new instruction regarding marriages between Soviet citizens and foreigners, and supplements to the regulations on entering and exiting the USSR. Comrade (Nizovskiy) spoke on the first question.

[Begin (Nizovskiy) recording] As is well known, the fundamentals of the legislation in the USSR and the union republics on marriage and the family stipulate that foreign citizens in the USSR enjoy the same rights and have the same responsibilities with regard to marriage and the family as Soviet citizens. The instruction states that, when applying to marry, a foreign citizen is obliged to present a certificate issued by a competent body of his state confirming that he is not already married. The instruction contains a number of paragraphs directed toward observance of the law and protecting the interests of Soviet citizens.

Thus, in a number of countries, marriages between citizens of these states and foreigners are acknowledged to be valid only if permission has been given beforehand by the competent state bodies in question for the marriage to take place. It is, therefore, the duty of the Civil Registrars Department to see if such permission for a marriage exists, and, if such permission is required, the Civil Registrars Department is obliged to explain to those embarking on marriage, especially to the Soviet citizen, male or female, that in the foreigner's home country the marriage may not be recognized as valid, with all the consequences arising therefrom. The instruction recommends the Soviet citizen intending to marry a foreigner to investigate the legal consequences that may arise, according to the legislation of the state of which the future spouse is a citizen.

The document with which I have acquainted you has been produced in order to more fully discharge the obligations entered into by the states that are signatories to the Final Act on security and cooperation in Europe, and other international obligations and agreements. [end recording]

Now Rudolf Alekseyevich Kuznetsov will speak.

[Begin Kuznetsov recording] Seven months have now elapsed since the implementation of supplements to the entry and exit regulations affecting private trips. I wish to confirm once again that the supplements to the entry and exit regulations considerably extend opportunities for contacts, both for short visits and for exit to take up permanent residence. Departure to take up permanent residence can be effected not just at the invitation of the closest, direct relatives. Up to 1 January 1987, the principle was applied that if most of the close relatives remained in the USSR, then departure was usually denied. These restrictions have been lifted. In the 7 months of this year, some 13,000 people have received permission to leave the Soviet Union in order to take up permanent residence abroad. This figure speaks for itself. It is probably clear to you all that the supplement is not of a restrictive nature.

Before 1 January 1987, Soviet citizens were generally allowed one exit a year. As of now, these restrictions are lifted. People can also enter in exactly the same way. [end recording]

Oleg Vasilyevich Avramenko will now speak.

[Begin Avramenko recording] I should like to look at two new factors. The first concerns trips to the socialist countries and entry to the Soviet Union from the socialist countries; and the second is about new facts that have now begun to materialize following the establishment of joint enterprises within the Soviet Union. The procedure for applying for travel documents in this connection has been considerably simplified and the time required has been shortened. A further decree has been adopted this year, making these trips considerably easier. It is primarily a matter of trips within the framework of local ties and ties connected with production contacts, direct production links. Travel abroad by a specialist to a socialist country is decided once and for all. In the case of a trip or transfer to other socialist countries, there is no need for further authorization; all that is required is the agreement of the enterprise that is sending the specialist to a socialist country. [end recording]

VIENNA DIE PRESSE ON POTENTIAL EMIGRANT TREATMENT

AU141330 Vienna DIE PRESSE in German 14-16 Aug 87 p 2

[Text] Moscow/Vienna -- Yuriy Kashlev, Soviet delegation head at the Vienna CSCE follow-up meeting, proudly emphasized time and again before the summer recess that in the first half of 1987 alone around 9,000 Soviet citizens were granted exit permits. But what is intended to underline the USSR's special generosity is reduced to a meager gesture in view of the 300,000 Jews who want to leave the USSR according to various estimates. Soviet emigrants arriving in Vienna report on the tragic fates of individuals and families who have been waiting for a exit visa for 10 years in order to join their relatives.

There is the case of microbiologist Galina Gerasimova: Her daughter Vassa, member of a Soviet sports delegation, defected during a stay in Spain in 1982 and lives in the United States today. When her mother Galina first applied for a permission to visit her daughter, she lost her job. Together with her husband, painter Aleksandr Zhdanov, she then staged several protest hunger strikes. In 1986 alone, the two were on strike for 150 days, without any results so far.

Individual public demonstrations have so far not been successful. Galina Gerasimova's cutting off her hair did not produce any results either. The Soviet authorities insist on their standpoint: Vassa Gerasimova left the USSR illegally in 1982 and must return. But she will of course not be guaranteed exemption from punishment in the case of her return.

Katerina and Sergey Mrkatchian wanted to apply for an exit permit to Israel where Katerina's parents had emigrated. But the competent authorities did not even accept the required documents because Sergey's parents and his former wife do not want to give their consent.

This case also illustrates the particularly problematic emigration regulations in the Soviet Union: Soviet citizens who want to emigrate need the consent of their relations. For many reasons this is not always easy to obtain since, for instance, elderly people expect help from their children since the state allowances alone are not sufficient for living a fairly decent life.

There must be quite a number of cases in which elderly people refuse to give their consent to their children's emigration. This prompted Sergey Mrkachian to establish a group comprised of 40 members facing this kind of problem. The group aims at the abolition or alteration of this stipulation.

Aleksandr and Rozaliya Ioffe as well as Andrey Rabinerson are confronted with an even more notorious stipulation of Soviet emigration legislation forbidding emigration because of the knowledge of state secrets. Mathematician Ioffe and his wife have been trying to obtain an exit permit for 10 years to be able to travel to Israel to see their son and his family. The reason given by the state authorities for declining the application is always the same: Ioffe has access to secrets. Another consequence of his application for an exit permit was a threat that he will be fired from his job and at another time his door was set on fire.

Physicist Andrey Rabinerson was also not granted an exit permit because he has allegedly access to secrets. When he applied for emigration to Israel in 1980, he was fired from his job and has been unemployed ever since. In Moscow rumors are spreading that even persons who have worked in a margarine factory or sold toilet pans are affected by the regulation regarding those who have access to secrets.

Before the summer recess, the American delegation to the Vienna CSCE meeting submitted a proposal that the refusal of exit permits on grounds of the "safeguarding of state secrets" may only be maintained for 1 year. As delegation head Warren Zimmermann stated, the Soviet method of using the access to state secrets as an excuse for preventing emigration is "a travesty that must come to an end."

The German delegation head Ekkehard Eickhoff stated: "It is a contradiction that people are denied their basic right to leave their country only because they are doing or have done a job which allows them insight into the state's security interests, even if it is only technical skills. The regulations and periods on which decisions are based are not accessible to the public."

POLICE WARN MOSCOW DISSIDENT NEWSPAPER EDITOR

AU141849 Paris AFP in English 1831 GMT 14 Aug 87

[Text] Moscow, Aug 14 (AFP) -- Soviet police on Friday warned authors of the dissident newsletter GLASNOST that they were breaking the law, but left without taking action after the editor telephoned Western reporters, dissidents said. Friday's police visit was the second to the Moscow apartment where the typewritten publication is produced, but police made no arrests, editor Sergey Grigoriyants told AFP, adding that several policemen were present with him as he spoke by telephone.

Mr. Grigoriyants said that a senior police officer visited the flat for two hours on Thursday and checked the identities of its occupants. The senior officer said he had "had orders to carry out checks and would come back regularly," Mr. Grigoriyants added.

Kyrill Popov, the tenant of the flat, added in a second conversation that police inforcements had arrived and asked to see proofs of GLASNOST to see if it "contained anti-Soviet material." The officers warned that "the law was being broken," but then left at his request, Mr. Popov said.

An eyewitness who was in the apartment said the police left "seeing that Western correspondents were interested in the affair and fearing a scandal." Members of the KGB (state security) force were apparently not present.

Some 50 copies of the first issue of GLASNOST -- coined after Soviet leader Mikhail Gorbachev's maxim of "openness" -- circulated here in early July. The dissident publication was forcefully attacked in a recent issue of the Moscow evening daily paper.

DISSIDENT PRIEST YAKUNIN GETS POST NEAR MOSCOW

AU140648 Paris AFP in English 2254 GMT 13 Aug 87

[Text] Moscow, Aug 14 (AFP) -- Dissident Soviet priest Gleb Yakunin, who was released from internal exile in March, has been named priest of Shcholkovo, near Moscow, sources close to the priest said Thursday. Father Yakunin, 53, who was sentenced in 1980 to five years in a labour camp for anti-Soviet agitation, was informed on Tuesday of the decision to offer him a post in Shcholkovo, a small town 35 kilometres (22 miles) from Moscow, according to one of his friends.

The Russian Orthodox hierarchy had banned him from practicing as a priest 21 years ago, but Father Yakunin said he had received permission to resume his religious duties in May.

The friend added that Metropolitan Bishop Juvenal had warned Father Yakunin that if he "did anything against the Church", he would be disciplined. The bishop had also warned Father Yakunin in June after he sent a letter to Soviet leader Mikhail Gorbachev demanding religious freedom in the Soviet Union.

'WORKERS', PEASANTS' PARTY' MEMBERS REHABILITATED

LD141651 Belgrade TANJUG in English 1600 GMT 14 Aug 87

[By Aleksandar Novacic]

[Excerpt] Moscow, August 14 (TANJUG) -- After many statements of principle and public demands to go on with the rehabilitation of innocent victims of Stalin's terror, more than 1,000 "members" of the non-existent "Workers' and Peasants' Party," sentenced to death and mostly executed after the big trials of the Mensheviks early in the 1930s, have now been rehabilitated. The report was published only in "MOSCOW NEWS," the Soviet paper intended mainly for readers abroad.

The decision to rehabilitate fifteen distinguished Soviet scholars and scientists was adopted by the military collegium of the USSR Supreme Soviet at its session last month. It substantiates an earlier informal statement by Soviet historian Yuriy Afanasyev, who said that special groups of lawyers were set up at the Supreme Court of the USSR with the task of rehabilitating all innocent victims of the past. After the 20th congress of the Soviet Communist Party only a segment of military cadres and "ordinary citizens" were rehabilitated, but they did not include politicians, scholars and scientists such as those legally rehabilitated now. [passage omitted]

LADUSKIN RESIDENTS BRING BACK LIQUOR STORE

LD101108 Moscow Domestic Service in Russian 0700 GMT 10 Aug 87

[Text] In Laduskin, Kaliningrad Oblast, an event which will please local drinkers has taken place.

In the town which was declared a zone of sobriety a little over 6 months ago, a liquor store has opened again with the blessing of the city council executive committee. Many residents are sincerely indignant and bewildered. It seems that the decision to prohibit the sale of liquor in the town was adopted collectively and took into account the wishes expressed at meetings of labor collectives. Why, then, did those who so recently voted for a zone of sobriety to be set up in the town want to go back to the past? The passivity of the executive committee and many social organizations which limited the struggle against drunkenness by closing shops, has forced them to do this.

There are many problems in Ladushkin connected with organizing people's leisure. There are many disruptions in the consumer sector. It is not surprising that residents of this small town have to turn to the services of moonlighters, who have one sort of tariff -- a bottle. And where can they get it from? As a result people have unwittingly started pleading for liquor stores. Also, the issue of the sobriety zone has not been worked out properly from the economic point of view, stated (Ryabichko), first secretary of the Bagrationovskiy Raykom. This year the rayon had to turn to the state bank four times in order to pay people's salaries because the fulfilment of cash collection [kassovykh sborov] was disrupted. The result is people have to be paid in drinkers' rubles, neither more nor less.

Yet, arranging trade fairs and heightened attention to the domestic needs of the residents could have brought the necessary resources to the rayon. The problem of leisure in the town should have also been solved. The town is situated next to a lake and beautiful woods. It has been a recreational zone for the residents of Kaliningrad for a long time. One just needs the will and initiative. But it is obviously simpler to have a referendum after the event, so that by referring to its results people can justify their own idleness.

RESOLUTION ADOPTED ON UNUSED RURAL HOUSING

PM111029 Moscow PRAVDA in Russian 1 Aug 87 Second Edition p 1

[Unattributed report: "At the CPSU Central Committee and the USSR Council of Ministers"]

[Text] The CPSU Central Committee and the USSR Council of Ministers have adopted a resolution "On Utilizing Empty Dwellings and Private Plots in Rural Localities."

The resolution points out that in some parts of the country, particularly in the RSFSR Non-Chernozem Zone and the Ukrainian SSR, there are in rural localities many empty dwellings with private plots whose lands are not cultivated. Local party, soviet, and economic organs have resigned themselves to this and are not taking decisive measures to use empty houses and to bring the adjacent plots of land into circulation.

With a view to making rational use of private plots and the housing stock in rural localities, thus ensuring an improvement in the population's social and domestic conditions, as well as further developing horticulture and truck farming and more fully satisfying the population's needs for agricultural products, union republic communist party central committees and councils of ministers, kraykoms, obkoms, and raykoms, autonomous republic councils of ministers, krayispolkoms, oblispolkoms, and rayispolkoms, farm leaders, and rural soviets are entrusted with taking measures to make the maximum use of land attached to empty dwellings to increase production of agricultural produce. [paragraph continues]

The existing artificial barriers and all kinds of restrictions are to be removed, and extensive use is to be made of lease forms of utilizing free houses and of the creation of horticultural and truck farming societies.

It is prescribed that empty dwellings in rural localities be acquired primarily by kolkhozes, sovkhozes, and other agricultural enterprises, as well as by consumer cooperative organizations and organizations in the services sphere.

Kolkhozes, sovkhozes, and other enterprises and organizations are recommended to use empty dwellings for the purposes of:

Providing living space for kolkhoz members, sovkhoz workers, and other persons working at these enterprises and organizations;

Setting up reception centers for consumer cooperatives, consumer services, cafeterias, stores, medical centers, and other social and cultural projects;
Leasing or selling existing empty dwellings to enterprises, establishments, and organizations to set up subsidiary rural farms with the allocation to them of unused plots of land or plots that are used with low efficiency;

Granting, by agreement, property hire to citizens permanently resident in cities and city-type settlements for seasonal or temporary residence with the allocation to them of a plot of land for temporary use in accordance with the procedure and the dimensions provided for in this resolution. Payment for the lease of dwellings together with the attached household buildings will be levied by agreement at a rate that covers the cost of their upkeep.

The preferential right to acquire empty dwellings is also granted to kolkhoz members, sovkhoz workers, and other citizens living in the given population center.

Permission is given for the sale to citizens permanently resident in cities and city-type settlements of empty dwellings (with the attached household buildings) located in rural population centers on the lands of rural soviets, kolkhozes, sovkhozes, and other enterprises for seasonal or temporary residence on condition that an agreement is concluded with a kolkhoz, sovkhoz, or other enterprise to grow agricultural products and sell the surplus from private plots or other land allocated for this purpose.

Sales of such houses for seasonal or temporary residence in Moscow, Leningrad, and Kiev Oblasts may be made only to citizens permanantly resident in the cities of Moscow, Leningrad, and Kiev, as well as in cities and city-type settlements correspondingly located in those oblasts.

It is deemed expedient to grant plots of land to support buildings and to produce agricultural products to the extent of up to 600 square meters, including the area occupied by buildings, in accordance with the prescribed procedure to citizens acquiring or leasing the said houses, as well as to citizens permanently resident in cities and city-type settlements who have dwellings in rural population centers on a private property basis. The specific sizes of the plots of land are prescribed by the organs making them available for use.

If there is a larger plot of land attached to a house, it is granted to the owner or lessee of the house on the basis of an agreement with a kolkhoz, sovkhoz, or other enterprise or organization to grow agricultural products and sell the surplus through those farms to the state or to consumer cooperative organizations. In the event of a refusal to observe this condition the right to acquire or lease a house is not granted to citizens.

The USSR Ministry of Finance jointly with the USSR Ministry of Justice is entrusted with submitting corresponding proposals to the USSR Council of Ministers on the rates of agricultural tax on the aforesaid citizens' plots for the use of plots of land whose area exceeds the dimensions envisaged in this resolution.

Sales of empty dwellings in rural population centers to citizens permanently resident in cities and city-type settlements for seasonal or temporary residence must be made in accordance with applications from labor collectives of enterprises, establishments, and organizations or from gorispolkoms (rayispolkoms in cities), with the agreement of the village soviet ispolkom, as well as the kolkhoz board, the sovkhoz management, or other enterprise on whose lands these houses are situated. Satisfaction is granted primarily to requests from participants in the Great Patriotic War, persons equated with them in accordance with the prescribed procedure, families of servicemen and partisans who died or went missing while defending the USSR or carrying out other duties of military service, labor veterans, large families, and workers' families.

The sale of empty dwellings in rural population centers for seasonal or temporary residence and the granting of plots of land to citizens are not permitted if they or members of their families who live with them and run a joint household with them (except in cases where they intend to separate) have the use of private plots of land or plots of land allocated for individual housing construction, have dachas on a private ownership basis, or use state dachas or official landholdings, as well as being members of a dacha construction cooperative or a horticultural society.

Citizens permanently resident in cities and city-type settlements who have dwellings in rural population centers may come together in cooperatives along voluntary lines for the purpose of making rational and highly efficient use of the plots of land granted them to produce agricultural products. Cooperatives may be granted additional plots of land for temporary use by agreement with kolkhozes, sovkhozes, and other enterprises.

It is prescribed that the value of empty dwellings being sold in rural population centers together with the attached household buildings be determined according to valuation norms approved in the prescribed manner, with due regard to the wear and tear on these houses and buildings, by valuation commissions consisting of representatives of the local soviet ispolkom (where the house is situated), the vendor, the purchaser (his representative), and, where necessary, representatives of other organs at the discretion of the local soviet ispolkom.

Citizens who have acquired the aforesaid houses have the right to sell them in the manner provided for in this resolution.

A house owner has the right to erect on a plot of land allocated in accordance with this resolution household buildings (including a garage and a bathhouse) in accordance with the procedure and the dimensions prescribed by existing legislation.

It is emphasized that citizens who acquire or lease empty dwellings in rural population centers are obliged to make rational and efficient use of the plots of land allocated to them. In the event of plots of land not being used to produce agricultural products for 2 years in succession, they may be withdrawn in the prescribed manner.

Kolkhozes, sovkhozes, and other enterprises are recommended to involve citizens who have bought or leased empty dwellings situated on the lands of the said farms in agricultural work being carried out by the farm with due regard to these citizens' abilities.

Local soviet ispolkoms are instructed to take measures to bring to light, record, and transfer to state or kolkhoz ownership, in accordance with legislation, ownerless dwellings situated in rural localities with a view to making rational use of them; to ensure that citizens carry out proper economic maintenance of dwellings belonging to them in rural population centers and look after the plots and also the territories and passages adjacent to them.

The CPSU Central Committee and the USSR Council of Ministers have obliged union republic communist party central committees and councils of ministers, kraykoms, obkoms, gorkoms, and raykoms, autonomous republic councils of ministers, krayispolkoms, oblispolkoms, and rayispolkoms to establish strict control over observance of the prescribed procedure for citizens resident in cities and city-type settlements to acquire empty dwellings in rural population centers, as well as the procedure for utilizing the allocated plots of land.

SHATALIN DISCUSSES ECONOMIC GROWTH, MEASUREMENTS

WA152323 Moscow EKONOMICHESKAYA GAZETA in Russian No 31, Jul 87 p 11

[Article by S. Shatalin, corresponding member of the USSR Academy of Sciences: "How To Measure Economic Growth"; first paragraph is source introduction]

[Text] For the practical realization of the concept of accelerated socio-economic development for the country during the 1986-2000 period, the volume of national income used for savings and consumption must be almost doubled. The highest rates of growth in national income must be achieved during the 1991-2000 period. This task is extremely complicated and requires maximum effective utilization of all production resources. At the same time, a number of theoretical-methodological problems concerned with analyzing and measuring the rates of economic growth are occurring.

Where Is National Income Created? [subhead]

In the USSR and a majority of other socialist countries, a measurement of economic growth is based upon indicators for national income created in material production. These indicators are considered based upon a division of the national economy into production and nonproduction spheres. Thus the output of branches of a socio-cultural complex (public health, education, culture and others), which render services to the population, including the housing and municipal services economy, is not included in the volume of national income.

In our opinion, the results of such a computation distort the true picture of economic growth, especially its real final results. At the present time, an increasing number of economists consider this methodology to be considerably obsolete. It has been suggested that economic growth be measured on the basis of gross national product. (It bears mentioning that its indicators, with various modifications, serve as a base for measuring the rates for economic growth in all developed countries of the West and in a majority of the developing countries.) The essence of such an approach consists of including in the gross national product amortization and the entire volume of services which, together with material blessings, are considered to be the result of various types of administrative-economic activity and which fully ensure the reproduction process in the national economy.

One must obviously view as strange an economy in which the role played by services is constantly increasing, with such services not being taken into account in the national income and often being considered as a deduction from the rates for economic growth. Such a position derives from the economic prerequisites for and the concepts of productive and nonproductive labor, developed by K. Marx in conformity with a capitalist economy at the dawn of its development, at which time the sphere of services had still not been developed and did not have an industrial base.

It is believed that a conversion over to the new concept of national income and gross national product is needed in our country. This would create the prerequisites for improving planning and economic analysis, for reflecting more completely the physical might of the national economy and growth in national well-being and for implementing a structural policy in which there is no theoretical-methodological justification for the residual principle of allocating resources for the non-productive sphere.

Produced Or Used? [subhead]

At the same time, we are of the opinion that the manner in which the volume of national income is taken into account in statistics and planning should be defined more precisely. For a long period of time, the dynamics of economic growth were computed on the basis of an indicator for national income, used for consumption and savings. Such an approach could lead to a distortion of the true rates of economic growth. Allow me to show this in greater detail.

Based upon the balance for total social product and national income, it follows: $V + M = C + J + E - I$; where $V + M$ is the volume of national income produced during a year; C is the consumption fund; J is the savings fund and E and I are the volumes respectively for the exporting and importing of products.

As you can see, the fund for savings and consumption is not the annual national income, but rather it appears as a volume of resources used during a given year for the purpose of consumption and savings, regardless of their sources: $C + J = V + M - E + I$.

Hence it is theoretically possible to have a situation in which the national economy "rests" for an entire year, consuming and saving exclusively by means of imported products, providing the required currency was earned earlier.

Thus it makes no sense from an economic standpoint to measure growth in social labor productivity based upon the use of national income as measured at the present time -- the sum of consumption and savings. In the Basic Directions for the Economic and Social Development of the USSR During the 1986-2000 Period, growth by a factor of 2.3-2.5 in social labor productivity was computed on the basis of national income produced and the task of increasing by almost twofold the volume of national income applies to the resources used for consumption and savings. The use of such an approach by the planning and statistical organs for computing the rates of economic growth, based upon national income produced, is considered by us to be valid.

It is known that the addition to national income of a volume of resources for compensating for the withdrawal and repair of fixed productive capital furnishes a volume for the final (gross) social product. If services are included in the national income, then we must discuss all fixed capital and not only productive capital. Unfortunately, this indicator has not been introduced into the practice of statistical measurements and thus it must be determined using the research method. Nor has it acquired the right of citizenship in the practice of national economic planning.

Social and Ecological Characteristics [subhead]

Certainly, a solution for the questions examined above will still not provide an objective measurement of economic growth. A chief consideration here is how to take into account the social and ecological characteristics of economic growth, which should not be expressed in the volume of gross national product. (Distinct from total social product, gross national product does not include intermediate output or current material exenditures). Here we have in mind mainly the conditions for and character of labor, safety of equipment and technologies and the status of the environment.

It seems to us that the statement concerning an increase in the cost of a unit of production capability, which has almost become an axiom in our economic science, is based to a considerable degree upon ignorance of many such factors. Strictly speaking, an increase in the cost of a unit of production capability signifies that an increasingly greater amount of material, labor and natural resources must be direct deduction from the rates of economic growth. This could occur in the case of a traditional unit of production capability. But in the overwhelming number of cases, an increase in its cost is now being accompanied by an improvement in the social and ecological characteristics, which are not reflected in the rates of growth in national income or gross national product, although they are the result of economic development.

What will be the result of the accepted system for evaluating economic growth? It will produce a situation in which it will be unprofitable for enterprises to expend resources for improving the socio-ecological factors of national economic development, for they live in a planned world and in a world of measured indicators for output and labor productivity, upon which their true economic status and the formation of incentive funds are dependent. This objectively existing contradiction cannot be overcome only at the enterprise level. New criteria for effectiveness at the national economic level are needed, since they form the basis for the decisions undertaken by enterprises.

Certainly, this does not exclude the fact that the cost for a unit of capability in the extractive branches often increases as a result of a change in the geological-ecological conditions for the procurement of raw materials and fuel or for the production of energy. But it would be wrong to see an "ironclad" tendency here. Scientific-technical progress, if it spreads to these branches on a large scale, can change the dynamics of expenditures.

The phenomenon of an increase in the cost of a unit of production capability is also explained by the fact that the capital investments used for its creation are often evaluated not in terms of constant (fixed) prices but rather based upon current prices. Thus we would rather deal with the inflation process, but not with a phenomenon which simply relates to true production efficiency.

One difficult practical question is that of labeling as inflationary the components of economic growth. It consists of a whole series of factors: growth in the prices for new products which exceeds the true improvement in their quality; a deterioration in the quality of products at fixed prices; partial growth in the average market prices; an increase in the proportion of tax-intensive products, which is rather typical of a deficit economy. And these are not simply theoretical assumptions, but rather the results of true economic life, results which are typical of more recent periods in the development of the national economy. A definite inflationary element is the dynamics of the production of savings and consumption in national income, since the former is evaluated in wholesale prices and the latter in retail prices, which include the turnover tax to a substantial degree.

Generally speaking, a contradiction obviously exists in the area of consumer goods. For example, labor productivity in branches which produce these goods is computed based upon the wholesale prices of the enterprises (their output is calculated in these prices). In the case of economic growth, these goods are included in the retail prices, in which turnover tax constitutes a large proportion. One factor is obvious in any case: the various methods for evaluating output distort the true picture of the dynamics of economic growth. It turns out that all of the output should be evaluated in accordance with the wholesale prices, with elements of the turnover tax which are not indirect taxes being included in them. The singling out of these elements is an independent scientific problem and one which, unfortunately, is not being studied.

What Is Meant By Optimum Rates? [subhead]

A most important theoretical and practical task is that of determining the optimum rates for economic growth. A definite stereotype for economic reflection has developed: the higher the rates of growth for the physical volume of national income, the better the situation will be. In the past, such an approach predetermined to a considerable degree the investment and structural policy, the shortcomings of which are recognized. Thus an answer to the question concerning optimum rates provides the key to the formation of an optimum structure for the distribution of material, labor and natural resources within the national economy.

Special studies involving the use of mathematical methods have shown that optimum economic growth is characterized by the possibility of satisfying to a maximum degree the growing and increasingly more complicated requirements of the population for some time into the future. And if this factor is not taken into account, the following question could arise: How much longer will leading growth in machine building or another branch be required? And if a support point does not exist for determining the optimum rates for economic growth, then all actions concerned with planning it will be immersed in a sea of intuition and common sense. But it will not have a scientific basis and use will be made of the method of trial and error.

However, the task of satisfying the population's requirements to the maximum possible degree is a necessary but inadequate condition for selecting the optimum rates for growth in national income. Another condition is that of correctly evaluating the interchangeability of production resources, various types of implements and objects of labor and technologies, the ratio of new construction and the technical modernization of enterprises and the variants in the distribution of productive forces throughout the country. The inability to combine all of these conditions for evaluating the rates of development is the Achilles heel of our national economic planning. The residual principle for the distribution of resources from improving national well-being and developing the social sphere of the national economy has still not been fully overcome in the planning justifications. And so long as the USSR Gosplan and the entire system of planning-administrative organs fail to make use of the concept of optimum growth in the physical volume of national income, planning will consist of a single variant and will be unable to take into account fully the existing factors concerned with growth in production efficiency.

The development of a plan based upon many variants and a determination of the optimum rates for economic growth and its structure constitute strategic requirements which are presently being imposed upon the central planning-administrative organs in light of the requirements for radical economic reform. Indeed, self-financing is becoming the basis for management and the rights of cost accounting elements in the sphere of investment activity are being expanded sharply.

The achievement of optimum economic growth assumes an improvement in the quality of such growth, despite the fact that the concept of growth quality is treated in a vague manner. If an improvement in the quality of economic growth is understood to mean growth in the quality of output, then the latter (when correctly measured in appropriate prices) is simply manifested in an increase in the rates of growth for national income and gross (final) social product. This may be merely an alternative to growth in the production volumes, with no change taking place in the quality of the output.

But the concept of quality in economic growth expresses other economic relationships. Here there are two important aspects. First of all, the basence of a deficit and balance in the market place in terms of means of production and consumer goods and services. Secondly, the quality of growth is determined by progressive ratios for the structural elements of growth in the physical volume of national income and by the orientation of economic development towards achieving maximum national economic results. For example, a 4 percent growth in the physical volume of national income may result from extremely diverse proportions in it of increases in unfinished construction, production supplies and products. These supplies and products may ensure directly an expansion in the consumption found or they may form production capabilities which will expand the opportunities for increasing the means of production and consumer goods.

In the final analysis, the problem of quality in the rates of growth reduces once again to selecting the optimum rates for economic growth and a ratio in national income for the proportion of savings and consumption, which will ensure a maximization of the total fund for satisfying the requirements of members of a socialist society. This is the chief criterior for quality in economic growth.

The concept of quality in economic growth inevitably assumes an analysis of its intensive and extensive factors, the total effectiveness of use of material, labor and natural resources and the advisability of a particular distribution for the resultsx obtained. An entire series of various types of laws and regularities has developed around the problems concerned with the rates for economic growth, all of which are considered to be objective in nature and which continue to "impose pressure" upon the planning organs when implementing their structural policy with regard to the distribution of resources. But this will be discussed in the following article.

OPERATION OF STATE ACCEPTANCE SYSTEM ASSESSED

PM111215 Moscow EKONOMICHESKAYA GAZETA in Russian No 32, Aug 87 (signed to press 30 Jul 87) p 9

[A. Leshchevskiy article under the rubric "Quality Is a Political Task": "State Acceptance: Six Months of Work"; capitalized passages are printed in boldface in the original]

[Text] The state Output Acceptance Service was in operation during the first half of the year at more than 1,500 enterprises in 28 sectors of the national economy and covered one-fifth of the country's industrial output. State acceptance staff checked the quality of manufacture of 75 percent of trucks and cars, 50 percent of machine tools and livestock raising and feed production equipment, and virtually all buses, tractors, television sets, refrigerators, and washing machines.

What has the practical operation of a State Acceptance Service revealed, and what problems did the new service encounter?

We all expected a greated deal from the State Acceptance Service; we believed that it would, at last, help to stem the flow of rejects and that it would teach slipshod workers to turn out honest work. Our hopes have largely been fulfulled. [paragraph continues]

At a number of enterprises a trend toward producing better-quality goods has emerged. The number of complaints against Murom "Ordzhonikidze" plant "Oka" refrigerators, Moskvich car engines produced at the Ufa engine building association, and "Moskva" clothing production association output has been reduced by a factor of 2-3. You will agree that these are pleasing results. However, it is too early to draw far-reaching conclusions. The percentage of the acceptance of output on first submission is rising very slowly, and at enterprises of certain ministries such as the USSR Machine Tool and Tool Building Industry and the USSR Ministry of Machine Building for Animal Husbandry and Fodder Production it remains very low -- in the order of 70 percent. Meanwhile, in the country as a whole this indicator totaled 88.4 percent in the second quarter.

How can the results of the first 6 months of the new system's operation be asessed most accurately? What should be chosen as a criterion of its performance? A USSR Central Statistical Administration report states that almost R40 million worth of output was written off as rejects during the first 6 months.

Indeed, badly made goods were "turned away," but I would like to focus attention on something else. In most cases state acceptance workers send the goods back to be given a better finish. They will be accepted -- but only after all the defects have been eliminated. And so, in our view, the following figure obtained at the USSR State Committee for Standards could serve as the main indicator of the performance of the State Acceptance Service: MORE THAN R4 BILLION WORTH OF DEFECTIVE MACHINES AND ITEMS OF EQUIPMENT WERE PREVENTED FROM REACHING THE CONSUMER DURING THE FIRST HALF OF THE YEAR. Allow me to repeat that they were not passed on first submission when the equipment was unfit for use.

How have State Acceptance controllers concretely contributed to the enhancement of the quality of goods? There are plenty of examples. For instance, State Acceptance staff at the USSR Ministry Heavy Power and Transport Machine Building "Krastyazhmash" production association have achieved a better quality of manufacture of subassemblies and components for heavy caterpillar-tracked open-cut mine excavators EKG-12.5. As a result it has proved possible to halve the time needed for the assembly and adjustment of the machines, and this is equivalent to the additional extraction by each machine of 1.5 million tonnes of ore.

The intervention of State Acceptance controllers has forced engineers at the Minsk refrigerator plant to introduce 650 changes in the design documentation and thus to bring it in line with the requirements of the standard regulations. In Donetsk on the other hand, State Acceptance workers prevented changes in the technical specifications of the "Donbass-10" refrigerator which would have detracted from some of its qualities.

However, here we should probably draw a line under the positive part of the article and turn to the phrase "at the same time," which is then usually followed by the enumeration of shortcomings. Not because there is nothing positive to add, but simply because it is more important to talk about what is impeding progress, what is overdue. Our readers have reported cases where plant directors issued instructions to stop State Acceptance leaders entering the territory of the enterprise. You could not invent a more curious situation.

Quite recently, in May, V. Fotokakis, director of the USSR Ministry of Chemical and Petroleum Machine Building's Chernovtsy machine building plant refused extradepartmental controllers access to the documentation of the plant's central laboratory and declined to provide them with objective information about the quality of rolled metal which had been introduced in production. How is one to evaluate such conduct? As a misunderstanding? Or as unreasonable behavior?

What attitude should be adopted when State Acceptance workers' recommendations are ignored? At the USSR Ministry of Instrument Making, Automation Equipment, and Control Sytems "Elektronmash" Production Association's Chernovtsy computer equipment plant they carried out a systematic analysis of output quality and submitted specific proposals. However, the administration seems to have consigned these proposals to oblivion. Last-minute rush work persists, and that, as is well known, is not conducive to quality.

In my view cases like these testify above all to serious omissions on the part of ministries' apparatuses. They have adopted varying approaches to the introduction of state acceptance and therefore the results they are achieving are also different. In terms of the dynamics of the improvement in the quality of tested output the USSR Ministry of the Automotive Industry, the USSR Ministry of Tractor and Agricultural Machine Building, the USSR Ministry of the Communications Equipment Industry, the USSR Ministry of Ferrous Metallurgy, and the USSR Ministry of the Construction Materials Industry deserve a mention. The changes for the better at these ministries' enterprises are most noticeable.

People may say that the criterion which I adopted is highly arbitrary. Industrial sectors differ sharply from each other in the standard of their production organization, the level of their technical equipment, and the skill of their labor force. If the causes of poor quality lie on the surface, as it were, then the situation can be rectified speedily; if, however, the reasons for the production of rejects lie in imperfect design and bad production techniques, no swift change can be expected. Even in these sectors output quality must improve, of course, but the rate of improvement will not be quite so marked.

These are objective circumstances... But there are also subjective conditions which depend on people's attitude to work. It is possible to cite cogent reasons for the lack of progress; it is possible to plead years of production neglect. That is quite easy. What is more difficult is to find a way out of hopeless situations, such as what the USSR Ministry of Tractor and Agricultural Machine Building has done: carry out a detailed analysis; identify the reasons for the production of defective equipment; to draw up, in cooperation with State Acceptance workers, ways of eliminating the shortcomings; and to outline specific tasks for all the services. There are other ways, of course, but they are open only to people who want to achieve better results, who are truly concerned about the problem of enhancing output quality.

Local party organs too must regard this as their key task. Most of them have helped State Acceptance workers to get their work organized swiftly and to establish contact with enterprise party committees. Kraykoms, obkoms, gorkoms, and raykoms have replaced unreasonable administrators with enterprise party committee secretaries.

One of the letters which arrived at the editorial office tells the following story. At the USSR Ministry of the Electrical Equipment Industry's Aleksandriya electromechanical plant State Acceptance workers stopped a batch of substandard consumer goods. In response to this the enterprise party committee gave a severe reprimand to the head of extradepartmental quality control and endorsed his party card. The local party organs had to intervene, quashing the unjust decision and, in turn, severely punishing the party committee secretary.

There are quite a few cases wherein the desire to obtain pleasing figures for the books and to be able to report success is supplanting the concern for the enhancement of output quality. I was told of the following case at the USSR State Committee for Standards. At the Karaganda Obkom Bureau Zh. Kalmagambetov, Karaganda Obkom secretary, told the head of the State Acceptance Service at the USSR Ministry of the Coal Industry "Karagandagormash" plant that his service is not paying enough attention to the fulfillment of the plan and that he has overstepped the mark. And he added: There is no room for people like you in the State Acceptance Service. Meanwhile, all that the quality controllers had done was not to pass rejects.

In practice the following situation can frequently be encountered: IN VIEW OF THE FACT THAT THEY ARE NOT THE ONLY ONES TO MONITOR QUALITY, ENTERPRISES' TECHNICAL SUPERVISION DEPARTMENTS ARE RELAXING THEIR EXACTINGNESS. This was mentioned, for instance, in an article by A. Kotov, head of the State Acceptance Service at the "Rostselmash" production association, which was published in EKONOMICHESKAYA GAZETA.

These services must not duplicate each others work. The task of technical supervision departments is to monitor the observance of production process requirements. That is to say, they must check that the right techniques are used to produce various goods. The State Acceptance Service, on the other hand, deals with finished output. If this division of labor is observed they will complement each other.

However, frequently the role of the technical supervision departments at enterprises has been distorted and reduced to the acceptance of finished products. Functions such as initial and intermediate checks, analysis of the causes of the production of substandard goods, and examination of the state of technical documentation were simply lacking. Furthermore, quality control foremen were accountable to shop foremen -- as, for instance, at the USSR Ministry of the Timber, Pulp and Paper, and Wood Processing Industry's Narva furniture combine. In such cases the introduction of state acceptance can mean duplication. But the reason for this is that the technical supervision department is not doing its job properly.

It would seem that all that has to be done is to reorganize the work of technical supervision departments in accordance with the instructions contained in the CPSU Central Committee and USSR Council of Ministers resolution "On Measures to Radically Improve Output Quality." However, this process is proceeding extremely slowly. THE EDITORIAL OFFICE INTENDS TO CONTINUE THE DISCUSSION ON THE PAGES OF EKONOMICHESKAYA GAZETA ABOUT THE MUTUAL RELATIONS BETWEEN THE STATE ACCEPTANCE SERVICE AND THE TECHNICAL SUPERVISION DEPARTMENTS. WE INVITE ANYONE WHO IS INTERESTED TO SHARE HIS IDEAS ON THIS SUBJECT.

We often receive letters in which readers complain about shortcomings in the organization of the training of State Acceptance Service Staff. This service is staffed with highly qualified specialists who are familiar with the relevant production technology and have sufficient experience in organizational work. However, extradepartmental control has its specific requirements which have to be mastered just like the modern methods of output quality control. The All-Union Institute for the Improvement of Qualifications of the USSR State Committee for Standards has introduced a special program for training heads of State Acceptance services as from 1986. However, specialists have noted many shortcomings in the organization of the training course. For instance, extradepartmental controllers from the Novosibirsk "Ob" leather footwear production association have complained to the editorial office that the training of State Acceptance workers is not geared to the tasks of the specific sectors.

It is understandable that one institute alone is not capable of training 35,000 state output acceptance workers, taking account moreover of the specific features of every sector. Therefore THE TERRITORIAL ORGANS OF THE USSR STATE COMMITTEE FOR STANDARDS MUST ORGANIZE THE TECHNICAL TRAINING OF STATE ACCEPTANCE SERVICE WORKERS LOCALLY, and put more effort into it than up to now.

And so the first 6 months of work are behind us. Practical experience shows that by introducing state acceptance of output we have embarked on the correct path of improving the quality of Soviet-made goods and enhancing their competitiveness on world markets. However, we are still only at the very beginning of this path and we are traveling far too slowly. The USSR State Committee for Standards is partly to blame for this.

At present state acceptance organs are merely making sure that the goods meet the requirements set forth in the normative documents currently in force. But what about the technical documentation itself? State Acceptance Service staffers have told us that approximately one-fifth of this documentation requires major amendments. The revision of obsolete standards is proceeding too slowly. Meanwhile letters from enterprises in various sectors of the national economy frequently state: IN CONDITIONS OF THE ACCELERATION OF SCIENTIFIC AND TECHNICAL PROGRESS AND THE UPDATING OF PRODUCTION, OUTPUT THAT MEETS YESTERDAY'S REQUIREMENTS IS NOT WHAT IS NEEDED. In an interview given to EKONOMICHESKAYA GAZETA at the beginning of the year B Sokolov, first deputy chairman of the USSR State Committee for Standards, said that the State Acceptance Service will check the state of design documentation in order to stop the production of new goods which do not correspond to world standards. None of this has yet happened in practice.

During the second half of the year extradepartmental control will be introduced at hundreds of enterprises and in industrial sectors where it does not yet exist. State Acceptance workers will be checking the quality of construction materials, for instance, and of flax an cotton at USSR State Agro-Industrial Committee plants. However, SUCH AN IMPORTANT SPHERE AS THE PRODUCTION OF FOOD PRODUCTS WILL REMAIN OUTSIDE THEIR SPHERE OF ATTENTION. Yet, selective checks carried out by territorial organs of the USSR State Committee for Standards at enterprises of the flour milling industry and bakery plants have shown that the situation concerning quality is far from perfect here.

The current output acceptance procedure itself could hardly be more formalized. V. Afonskiy, head of the State Acceptance Service at the Moscow "Kompressor" plant, cites the following example: In the course of a month the director or chief engineer has to stamp some 8,000 notices. Just signing them takes a week. A great deal has been said about the fact that it is NECESSARY to simplify this procedure and PUT AN END TO THE EXCESSIVE PAPERWORK IN THE ACCEPTANCE OF OUTPUT -- but there is no change.

All these shortcomings indicate that there are still many opportunities to increase the influence of enterprises, ministries, departments, party organizations, state acceptance services, and other USSR State Committee for Standards organs in the enhancement of the technical standard and quality of output. These opportunities must be used to the full.

ECONOMISTS DISCUSS PROPOSED RETAIL PRICE CHANGES

PM121350 Moscow LITERATURNAYA GAZETA in Russian 12 Aug 87 p 12

[Article by Candidate of Economic Sciences R. Grinberg and Candidate of Economic Sciences A. Rubinshteyn under general heading "Passions Over Prices": "How Much Should We Pay for Food?"]

[Text] Moscow -- Economists have probably never before been so insistent in proposing, in order to restore social justice, such a measure as an increase in retail prices for food products. But proposals of this kind are heard more and more frequently from some of our colleagues. People are heeding their voices. There is food for thought here.

All kinds of things have happened in the last 2 decades. What is striking is not so much the increase in prices for many goods and services, as the way it is explained by economic departments. To justify, for instance, a five-fold (!) increase in coffee prices, we were told about the sharp rise in prices on the world market. When prices for, say, carpets rose, we were assured that plastic raincoats and nylon stockings would cost less. We were even assured that there is a special kind of item -- nonessential goods -- for which it is absolutely necessary to increase the prices, for our own good. It seems that now they want to convince us that "the universal good demands a universal rise in prices."

It is this simple formula that has put forward among the next candidates for price rises the most essential goods of all -- food products.

Why do some economists think that higher food prices are necessary?

The whole point is that the artificially low prices of food products are based on state subsidies, which many economists cannot come to terms with. In the ordinary person who is ignorant of the finer points of the interaction between prices and finances, the subsidy gives rise to a kind of inferiority complex -- a "guilt feeling" mingled with gratitude. Naturally! The state is paying extra on his behalf, for food products, and for housing.... This year the state subsidy to cover the gap between expenditure on the production of meat and dairy products and their retail prices will total nearly R60 billion.

All the same, we would like to restore our fellow citizens to a state of spiritual calm. While underpaying in one area, we are overpaying in another. You only have to remember how much they collect from the consumer in the form of turnover tax: on the sale of furniture and refrigerators, television sets and jeans, kitchenware and watches, and many other highly necessary goods, including, incidentally, smoked sausage and a "new" variety of salt pork -- of which the cooperative workers are inordinately proud.

It is curious that even the most conservative economists, while patently opposed to the activation of the commodity-money relationship, suddenly saw subsidies only as an unncessary burden on the state budget. Its losses through the reduction in the production of alcoholic drinks evidently brought about a transformation in their former convictions.

But it transpires that even progressively minded economists and sincere supporters of the restructuring and of radical reforms found themselves objectively siding with those who seek at any price to make good the budget's losses from the falling sales of alcohol. Advocating the rehabilitation of the law of value (and this, in our opinion, is a key avenue of economic reform), certain economists began to call for the abolition of subsidies. What are their arguments, and how do they picture the "normalization" of the commodity-money relationship?

First, the lion's share of subsidies to maintain low food prices is said to benefit the highly paid population groups and residents only of those cities where food products, especially meat and dairy goods, can regularly be bought in state stores. Therefore increasing prices for these articles through the elimination of subsidies will supposedly restore social justice.

Second, in the opinion of those who support price increases, maintaining subsidies reinforces the meat and dairy shortage. They believe its eradication is also associated with the abolition of subsidies.

There are also constant references to socially necessary expenditure as being the level to which retail prices must supposedly be increased with a view to the highly desirable normalization of the commodity-money relationship. That is the logic of the third argument.

Concern for social justice is a noble concern. But unfortunately increasing retail prices and abolishing subsidies will not in itself increase meat or milk supplies. Thus the inhabitants of, say, Novosibirsk will only be able to obtain more meat not if prices are higher but if there is more... meat in that city. In the existing conditions it is perhaps necessary to introduce more even distribution of meat and dairy products across the country But the abolition of food subsidies has nothing whatever to do with this distribution.

And in general it can hardly be doubted that increasing prices for food products will inevitably lead, in present conditions, to a fall in the level of consumption by the least well-off population groups: It must not be forgotten that some 40 percent of families in our country have a monthly income of less than $100 per person. Aware of this, the supporters of food price rises propose to introduce compensatory income supplements for them. Apparently the interests of those with modest incomes will be observed and their diet will remain inviolate. Nothing of the kind! Historical experience and experience of life, like, incidentally, the contemporary experience of our foreign neighbors, testify clearly to the futility of such expectations.

The point is that on receiving additional income the consumer spends it by no means in the way society expects. Here the decisive role is played by individual requirements, which do not always coincide with society's preferences. Put more simply, the compensatory supplement will most likely be spent not on buying the more costly food products, but on acquiring those goods and services whose consumption society was not intending to stimulate at all.

We are all very tired of the permanent shortage of particular goods and services. It seems society will accept a great deal to make the very concept of the "waiting line" a thing of the past. A great deal, but not everything. Plentiful food products should not be to our liking if they are beyond the pockets of the greater part of the population. That is precisely what is, in effect, being called for with the proposal to eliminate the food shortage by means of severely restricting the range of consumers.

But such things have happened before... No doubt many people still remember the pale pink salmon in Moscow stores, which, true, was beyond the wildest dreams of the majority of Muscovites, even, not to mention the real Kuban Cossacks. We think this way of overcoming a shortage is absolutely unacceptable in our society.

Finally, the need to normalize the commodity-money relationship. This, we are told, means bringing prices into line with socially necessary expenditure. That seems logical enough. But there is a very important nuance. Since this expenditure in principle is not subject to quantitative definition, bringing prices into line with it is always arbitrary. Whoever is granted the right to set prices elevates his own ideas about expenditure to the status of an objective law.

Therefore people often describe as "socially necessary" the expenditure which should really be called socially pointless waste. While this mechanism operates, totally unjustified increasing expenses will constantly be shifted onto the consumer's shoulders. True, this has recently become more difficult to do.

What formerly seemed an inexhaustible source of budget income, namely increasing prices for so-called nonessential goods, has been exhausted. This was announced in the press by A.N. Komin, first deputy chairman of the USSR State Committee for Prices. Moreover those in charge of the budget now have new difficulties associated with losses of a substantial quantity of "drink" rubles. Clearly this situation has pushed certain economists toward the idea of increasing prices for essential goods. Yet another call for prices to be brought into line with social value range out in a number of journal publications.

Naturally, there is no doubt about the need to activate the commodity-money relationship. The need for a reform of the pricing procedure itself is also urgent. But whatever the concrete features may look like, it is necessary always to bear in mind the special group of goods and services for which the socialist society is consciously concerned to satisfy the demand. For this group of goods and services, which determine people's most important living conditions -- food products, housing, services in health care, education, culture, and so forth (which are of high social usefulness), society is called upon to provide all its members with equal opportunities for consumption. It is this fundamental principle of equal access regardless of the level of income per capita which should, in our view, determine retail price policy. Therefore attempts to abolish subsidies on such goods and services, however they may be justified, are economically and socially unacceptable.

Discussions on the approaching rise in retail prices for food products have now become particularly intensive. Some people regard the matter as already decided, and are mentally bewailing their future budget. Others urge their friends and colleagues not to believe the rumors. We think the public discussion of this urgent matter will help ensure the right decision is taken.

GOSSNAB OFFICIAL INTERVIEWED ON WHOLESALE TRADE

PM051414 Moscow EKONOMICHESKAYA GAZETA in Russian No 32, Aug 1987 (Signed to press 30 Jul) p 6

[Interview with Yu. Boyev, first deputy chairman of the USSR Gossnab, by Yu. Yakutin: "The Wholesale Trade Machinery" -- date, place of interview not stated, first paragraph is editorial introduction]

[Text] In the conditions of full economic accountability [khozraschet] and self-management by the basic production components of the national economy, the system of materials and technical supply to the economy must be radically improved, as was noted at the CPSU Central Committee June Plenum. What are the purpose and content of the restructuring of this system? How will the requirements of enterprises for material and technical supplies be satisfied in the new conditions of economic management? Yu. Boyev, first deputy chairman of the USSR Gossnab, answers these and other questions from readers.

[Yakutin] Yuriy Petrovich, the USSR Gossnab is today set the task of carrying out over 4-5 years a switch from the centralized allocation of material resources and the assigning of consumers to suppliers, to wholesale trade in the means of production. What is the "technology" and what are the main avenues of this switch?

[Boyev] It is a task of exceptional importance to complete in 4-5 years the switch to selling the means of production through wholesale trade. The more rapidly we switch over to direct ties, to wholesale trade, the more rapidly we will get rid of both shortages and surplus stocks of material assets.

The success of the transition to wholesale trade and its scale are closely linked to the reform of pricing and the radical restructuring of the finance and credit system. In today's conditions of insufficient balance between supply and demand for many types of raw materials, semimanufactures, and subassemblies, in the first stage of the development of wholesale trade it is of fundamental importance to define the main avenues of management of the circulation of the means of production, its volume, and the product mix for sales without allocations or quotas.

In the next few years (1988-1990) the switch to wholesale trade is to be carried out for certain groups of products, taking specific account of the priorities in supplying production facilities involved first and foremost in the production of consumer goods and the needs of agriculture, construction, machine building, and the development of production sharing. At this stage, apart from the priority areas, it is planned to sell through wholesale trade to consumers of all contingents, regardless of their departmental affiliation, some 20 percent of the volume of resources supplied through the USSR Gossnab system. From next year provision is made for the sale by wholesale trade on this basis of considerable volumes of construction materials, electrical equipment, instruments, chemical products, industrial rubber products, and other output.

One important avenue of the switch from allocations to wholesale trade in the current 5-year period will be supplies for work done by enterprises out of their own funds and bank credits. Enterprises and organizations of the construction complex will also go over to supplies through wholesale trade.

This applies to the republican construction ministries, the Ministry of Construction in the Urals and West Siberia Regions of the USSR, the Ministry of Construction in the Southern Regions of the USSR, the Ministry of Construction in the Northern and Western Regions of the USSR, the Ministry of Construction in the Eastern Regions of the USSR, and also the USSR Ministry of the Construction Materials Industry. From 1988 the construction ministries of the Belorussian, Lithuanian, Latvian, Moldavian, and Tajik union republican construction ministries are to go over to this form of material and technical supply, as well as enterprises of the Ministry of Construction in the Southern Regions of the USSR located in the region of activity of the North Caucasus Main Territorial Administration of the USSR Gossnab.

In the current 5-year period certain groups of output necessary to light industry and consumer services enterprises for the development of consumer goods production and services to the population are to go over to wholesale trade. Citizens engaged in individual labor activity will be supplied with many types of means of production on a trade basis.

With a view to the comprehensive elaboration of the wholesale trade mechanism, we consider it justified to transfer to supplies through wholesale trade all consumers in certain regions of the country, for instance the Baltic republics and regions of the Far East. The Estonian SSR will be such a region from 1988.

Also to be transferred to wholesale trade is a significant proportion of the means of production sold through the systems of the USSR Gosagroprom [State Agro-industrial Committee] and the USSR State Committee for the Supply of Petroleum Products, and also through the own-brand stores and supply and marketing organizations of other ministries and departments.

Here it is apposite to note that whereas some work on the transition to wholesale trade is being done in the systems of the USSR Gosagroprom and USSR State Committee for the Supply of Petroleum Products, the same cannot yet be said of other departmental supply and marketing organizations. This applies in particular to the USSR Ministry of Light Industry's Main Administration for the Delivery of Raw Materials for Light Industry, the USSR Ministry of the Chemical Industry's Photochemical Industry Association and Chemical Reagents Association, and other ministries which produce and sell through their own network particular types of output for production and manufacturing use with intersector applications.

In all, by the end of the current 5-year plan it is planned to transfer to sales through wholesale trade some 60 percent of the volume of resources supplied through the system of material and technical supply organs. At this stage means of production which are on the list of goods subject to state orders, which are produced on the basis of individual orders, or which are in particularly short supply will not go over to sales through wholesale trade. For instance, metallurgical, mining, smelting, and forging and pressing equipment, special machine tools and automated lines, overhead cranes, diesel locomotives, and motor transport.

At the next stage, in 1991-1992, in the light of the experience of enterprises' work in the conditions of full economic accountability and self-financing and the implementation of the reform of wholesale prices, consumers in all sectors of the national economy (except the defense and certain other sectors) are to go over to supplies through wholesale trade for all production and manufacturing products, with the exception of certain specific types.

Thus in 1992 wholesale trade is to cover approximately two-thirds of the volume of material resources sold through the system of material and technical supply organs. The procedure for centralized distribution of electricity and thermal power, raw materials for light and food industry, crude oil, gas, and ferrous and nonferrous metal ores is to continue. Wholesale trade also does not cover individual [imennikovyy] and specialized equipment or output supplied for export, for market stocks, or for defense purposes.

[Yakutin] The range of measures to radically restructure the activity of the Gossnab and its organs assigns an important place to the organization of multichannel trade in the means of production on the principles of economic accountability. Our readers ask for more detail about this and inquire about the ways of implementing it.

[Boyev] Multichannel wholesale trade in the means of production, in the shape of diverse forms of its implementation, is defined in the Basic Provisions for the Radical Restructuring of Economic Management. These provisions lay down three types of wholesale trade in the means of production in the form of free buying and selling: 1. Under direct contacts between producers and consumers; 2. Under contracts with intermediaries, first and foremost enterprises belonging to territorial supply and marketing organs; 3. Through own-brand stores (own-brand trade).

Wholesale trade under direct contracts will be developed actively for output which is not subject to centralized distribution and control of deliveries by supply and marketing organs as intermediaries. Here the manufacturing enterprise must independently study the demand for a particular product, build up a portfolio of orders and on this basis a production plan, and organize the marketing (sale) of the product.

Within the framework of the direct contract, in accordance with the Law on the State Enterprise, the manufacturer has the right to apply prices by agreement with the consumer (contract prices) for output manufactured under single or individual orders and for new output or output being assimilated for the first time. The characteristic types of output whose production and sale it is expedient to carry out under direct contracts (direct, nonquota orders) also include output used by a small number of consumers, not made by mass production, and with a limited number of areas of use.

In these conditions, favorable opportunities are created for the manufacturer independently to determine the market capacity for his product, formulate a production plan, and organize marketing, without recourse to the services of an intermediary. Here it is equally important to abolish excessive centralization in the distribution of such output and renounce the annual collection of orders, issuing of contracts, and other regulations.

With a view to extending the economic autonomy of enterprises and transferring to wholesale trade output which is not in short supply, the USSR Gossnab has adopted a special resolution under which many enterprises in ferrous metallurgy, the chemical, electrical equipment, instrument making, heavy, and petrochemical industries, and a number of other sectors (more than 20 union ministries in all) will begin, from the 1988 plan, to sell individual types of production and manufacturing output under direct orders from consumers. This is only the start of a major breakthrough in the development of this form of wholesale trade. The USSR Gossnab organs are to continue coordinating with the relevant enterprises and organizations proposals for the further expansion of the range of output for which material and technical supplies are to take place according to nonquota orders from consumers on the basis of direct contracts.

The development of wholesale trade under contracts with intermediaries will take on great scope. The intermediaries between manufacturers and consumers are the territorial organs of the USSR Gossnab, the USSR Gosagroprom, and the USSR State Committee for the Supply of Petroleum Products, as well as organizations under individual ministries and departments for which a departmental supply network is retained -- the Ministry of Railways, the Ministry of the Maritime Fleet, the Ministry of the River Fleet, the Ministry of Communications, the MVD, defense ministries, the USSR Academy of Sciences, and certain others. As economically accountable wholesale enterprises, associations, and organizations, they act as collective purchasers of output for supply to the range of consumers whom they serve both through their own network of bases, warehouses, and stores, and for transit purposes.

The main task of the USSR Gossnab's territorial organs is to organize, together with enterprises, a reliable and effective system of material and technical supply in the region, establish stable, rational links between suppliers and consumers, monitor output deliveries, and give effective assistance to enterprises with the supply of material resources.

To this end, complete stocks of material resources are being set up at enterprises of the USSR Gossnab's territorial organs in the quantity and range necessary to ensure smooth supplies of consumers' orders, the network of sorting enterprises and wholesale stores is being widened, capacities are being developed for the preparation of metals, chemical, timber, and paper products, cable products, and construction materials for the industrial consumer, the volume of these services is being increased, and a network of commission stores to provide services to enterprises for the sale of unutilized output is being developed. The hire of instruments, apparatus, equipment, and machines will be considerably increased, including construction and road building machines and other equipment for construction work, and first and foremost for work done on the basis of enterprises' own resources.

In the new economic management conditions there is an increase in the role and significance of own-brand trade, which is organized directly within the structure of the producer (ministry, association, or individual large enterprises), that is, without the participation of an intermediary. In the USSR this form of wholesale trade has been developed to some extent, for instance, in the USSR Ministry of Instrument Making, Automation Equipment, and Control Systems system, where the network of "Scientific Instruments" stores has been in operation for more than 20 years, and in the Ministry of the Chemical Industry system, with the Photochemical Industry Association and the Chemical Reagents Association.

Own-brand trade is very promising in the development of effective forms of sale of many types of specialized equipment, electrical equipment, radio, electronic, instrument-making, and chemical products, and a number of other fundamentally new technical systems and materials. By accumulating the supply of sophisticated output, it is called upon to step up demand and develop it in the light of progressive trends in the scientific and technical revolution.

[Yakutin] What forms the basis of the economic accountability of supply and marketing organizations, and how will their relationship with other economically accountable enterprises be structured?

[Boyev] The switching of enterprises into full economic accountability and self-financing and the development of wholesale trade in the means of production require a restructuring of the economic foundations of the activity of supply and marketing organizations and their relationship with their partners. First of all, income from the sale of output and the provision of services of a production, commercial, and information nature and other types of services will for the first time form the basis of the economic accountability of supply and marketing organizations. Out of the resources earned, enterprises and organizations of the USSR Gossnab must not only repay their distribution costs and meet commitments to the state budget and their superior body, but also ensure their own scientific, technical, production, and social development.

The granting of economically accountable autonomy to territorial organs of the USSR Gossnab for the formation and utilization of the wage and development funds will make the size of these funds closely dependent on the end results of activity in organizing material and technical supplies and services to consumers. In this connection it is planned to carry out radical changes in the system of pricing for the services of territorial organs in output sales. Payment for the services provided by them should correspond to the level of socially necessary expenditure and the quality of these services.

The markups and discounts currently in operation on wholesale prices for output sold by the USSR Gossnab's territorial organs do not stimulate them to improve the quality of supplies to consumers. The differentiation in markups (discounts) according to types, sizes, and completeness of consignments of output sold, schedules for completion of orders, and other consumer requirements will make the income of supply and marketing organizations directly dependent on the quality of supply -- the timely supply of the necessary means of production to each enterprise on the basis of the need for its effective, smooth operation and the economical utilization of material resources, with stockpiles kept to a minimum.

The main objective in the work of supply and marketing organizations will be not to increase the volume of sales, but to ensure the timely fulfillment of each order from a consumer both for delivery of output and for the provision of services. They will bear material responsibility for failing to comply with contractual commitments, and will make good the losses incurred in accordance with the procedure laid down.

[Yakutin] One last question. What form will the new role of the USSR Gossnab organs in economic leadership of the rational utilization of the country's material resources take?

[Boyev] The restructuring of the entire economic machinery, first and foremost the material and technical supply system, is aimed at all-around savings of material resources and at reducing the consumer's stocks, bringing secondary raw materials into economic turnover as much as possible, and ensuring preferential development of the production of economical and resource-saving types of output.

The measures aimed at turning the USSR Gossnab's territorial organs into economically accountable regional centers of material and technical supply will make it possible sharply to step up their influence on production and consumption, with a view to cutting material costs and reducing stocks of material assets. The next few years should see the disappearance of the need for the existence of a large number of departmental supply and marketing offices and bases selling output which has intersector applications and duplicating the activity of USSR Gossnab organs. This will also mean the optimization of the intermediary's commodity stockpiles.

Economic methods of management of material resources will be actively introduced in all components of the national economy. This applies first and foremost to such areas as the acceleration of the turnover of circulating capital and the reduction of stocks of commodity and material assets, ensuring a steady preferential growth in production compared with the increase in material stocks.

In the course of the implementation of measures to distribute stocks rationally within the national economy, it is planned to concentrate them primarily in the statewide system of material and technical supply, and on this basis to increase the mobility of resources.

In the new conditions of economic management, there is an increased role for the USSR Gossnab in coordinating the activity of USSR ministries and departments and union republic Councils of Ministers, alongside the elaboration and implementation of an integrated resource-saving policy. In particular, the economic thrust of the activity of commissions on the saving and rational utilization of material resources is stepped up, and the effect of the new economic machinery on resource-saving will be analyzed in depth with a view to the all-around substantiation of proposals and the implementation of measures to further improve it. It is planned to form a scientific council on problems of resource-saving under the Interdepartmental Commission for the Saving and Rational Utilization of Material Resources, including major scientists and sector specialists on its staff. The USSR Gossnab will be the central organ implementing the organization of all work in the utilization of secondary resources in the national economy and the planning and coordination of that activity.